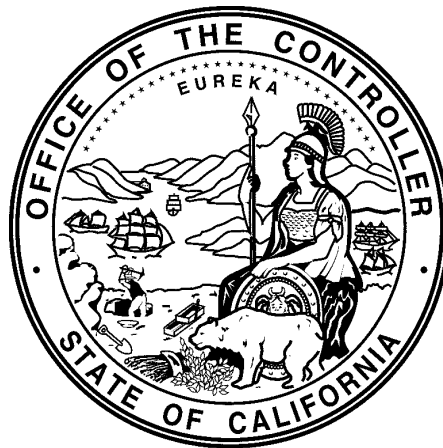


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# MANDATED COST MANUAL FOR COMMUNITY COLLEGES

STATE OF CALIFORNIA



STEVE WESTLY  
STATE CONTROLLER

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## **FOREWORD**

The claiming instructions contained in this manual are issued for the sole purpose of assisting claimants with the preparation of claims for submission to the State Controller's Office. These instructions have been prepared based upon interpretation of the State of California statutes, regulations, and parameters and guidelines adopted by the Commission on State Mandates. Therefore, unless otherwise specified, these instructions should not be construed in any manner to be statutes, regulations, or standards.

If you have any questions concerning the enclosed material, write to the address below or call the Local Reimbursements Section at (916) 324-5729, or email to [lrsdar@sco.ca.gov](mailto:lrsdar@sco.ca.gov).

State Controller's Office  
Attn: Local Reimbursements Section  
Division of Accounting and Reporting  
P.O. Box 942850  
Sacramento, CA 94250

Prepared by the State Controller's Office  
Updated September 30, 2003

## TABLE OF CONTENTS

### SECTION 1    Appropriation Information Page

- |    |  |   |
|----|--|---|
| 1. | Reimbursable State Mandated Cost Programs  | 1 |
| 2. | Appropriations for the 2003-04 Fiscal Year | 2 |

### SECTION 2    Filing a Claim

- |     |  |    |
|-----|--|----|
| 1.  | Introduction                               | 1  |
| 2.  | Types of Claims                            | 1  |
| 3.  | Minimum Claim Amount                       | 3  |
| 4.  | Filing Deadline for Claims                 | 3  |
| 5.  | Payment of Claims                          | 4  |
| 6.  | State Mandates Apportionment System (SMAS) | 5  |
| 7.  | Direct Costs                               | 6  |
| 8.  | Indirect Costs                             | 11 |
| 9.  | Offsets Against State Mandated Claims      | 15 |
| 10. | Notice of Claim Adjustments                | 16 |
| 11. | Audit of Costs                             | 16 |
| 12. | Source Documents                           | 17 |
| 13. | Claim Forms and Instructions               | 17 |
| 14. | Retention of Claiming Instructions         | 18 |

### SECTION 3    State Mandated Cost Programs

Program Name	Chapter/Statute	Program Number
Absentee Ballots	Ch. 77/78	231
Collective Bargaining	Ch. 961/75	232
Health Benefits for Survivors of Peace Officers and Firefighters	Ch. 1120/96	233
Health Fee Elimination	Ch. 1/84	234
Investment Reports	Ch. 783/95	235
Law Enforcement College Jurisdiction Agreements	Ch. 284/98	212
Law Enforcement Sexual Harassment Training	Ch. 126/93	236
Mandate Reimbursement Process	Ch. 486/75	237
Open Meetings Act /Brown Act Reform	Ch. 641/86	238
Peace Officers Procedural Bill of Rights	Ch. 465/76	239
Photographic Record of Evidence	Ch. 875/85	240
Sex Offenders: Disclosure by Law Enforcement Officers	Ch. 908/96	241
Threats Against Peace Officers	Ch. 1249/92	242

## TABLE OF CONTENTS

SECTION 4	Appendix	Page
A.	<a href="#">State of California Travel Expense Guidelines</a>	1-3
B.	<a href="#">Government Code Sections 17500 - 17616</a>	1-17

## REIMBURSABLE STATE MANDATED COST PROGRAMS

Claims for the following State mandated cost programs may be filed with the SCO. For your convenience, the programs are listed in alphabetical order by program name. An "X" indicates the fiscal year for which a claim may be filed.

<b>2002-03</b>	<b>2003-04</b>	<b>Community College Districts</b>	
<b>Reimburse-</b>	<b>Estimated</b>		
<b>ment Claims</b>	<b>Claims</b>		
x	x	Chapter 77/78	Absentee Ballots
x	x	Chapter 961/75	Collective Bargaining
x	x	Chapter 1120/96	Health Benefits for Survivors of Peace Officers & Firefighters
x	x	Chapter 1/84	Health Fee Elimination
x	x	Chapter 783/95	Investment Reports
x	x	Chapter 284/98	Law Enforcement College Jurisdiction Agreements
x	x	Chapter 126/93	Law Enforcement Sexual Harassment Training
x	x	Chapter 486/75	Mandate Reimbursement Process
x	x	Chapter 641/86	Open Meetings Act/Brown Act Reform
x	x	Chapter 465/76	Peace Officers Procedural Bill of Rights
x	x	Chapter 875/85	Photographic Record of Evidence
x	x	Chapter 908/96	Sex Offenders: Disclosure by Law Enforcement Officers
x	x	Chapter 1249/92	Threats Against Peace Officers

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**APPROPRIATIONS FOR THE 2003-04 FISCAL YEAR**
**Source of State Mandated Cost Appropriations**

<b>Schedule</b>			<b>Program</b>	<b>Amount Appropriated</b>
<b>Chapter 379/02, Item 6110-295-0001<sup>1</sup></b>				
(1)	Chapter	77/78	Absentee Ballots	\$ 0
(2)	Chapter	961/75	Collective Bargaining	0
(3)	Chapter	1120/96	Health Benefits for Survivors of Peace Officers and Firefighters	0
(4)	Chapter	783/95	Investment Reports	0
(5)	Chapter	284/98	Law Enforcement College Jurisdiction Agreements	0
(6)	Chapter	126/93	Law Enforcement Sexual Harassment Training	0
(7)	Chapter	486/75	Mandate Reimbursement Process	0
(8)	Chapter	641/86	Open Meetings Act/Brown Act Reform	0
(9)	Chapter	465/76	Peace Officers Procedural Bill of Rights	0
(10)	Chapter	875/85	Photographic Record of Evidence	0
(11)	Chapter	908/96	Sex Offenders: Disclosure by Law Enforcement Officers	0
(12)	Chapter	1249/92	Threats Against Peace Officers	0
<b>Total Appropriations, Item 6110-295-001</b>				<b>\$ 0</b>
<b>Chapter 379/02, Item 6870-295-0001</b>				
(13)	Chapter	1/84	Health Fee Elimination	1,000
<b>TOTAL - Funding for the 2003-04 Fiscal Year</b>				<b>\$1,000</b>

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<sup>1</sup> Pursuant to provision 5, "The Controller shall not make any payment from this item to reimburse community college districts for claimed costs of state-mandated education programs. Reimbursements to community college districts for education mandates shall be paid from the appropriate item within the community colleges budget."

## FILING A CLAIM

### 1. Introduction

The law in the State of California, (Government Code Sections 17500 through 17616), provides for the reimbursement of costs incurred by school districts for costs mandated by the State. Costs mandated by the State means any increased costs which a school district is required to incur after July 1, 1980, as a result of any statute enacted after January 1, 1975, or any executive order implementing such statute which mandates a new program or higher level of service of an existing program.

Estimated claims that show costs to be incurred in the current fiscal year and reimbursement claims that detail the costs actually incurred for the prior fiscal year may be filed with the State Controller's Office (SCO). Claims for on-going programs are filed annually by January 15. Claims for new programs are filed within 120 days from the date claiming instructions are issued for the program. A 10 percent penalty, (up to \$1,000 for continuing claims, no limit for initial claims), is assessed for late claims. The SCO may audit the records of any school district to verify the actual amount of mandated costs and may reduce any claim that is excessive or unreasonable.

When a program has been reimbursed for three or more years, the COSM may approve the program for inclusion in the State Mandates Apportionment System (SMAS). For programs included in SMAS, the SCO determines the amount of each claimant's entitlement based on an average of three consecutive fiscal years of actual costs adjusted by any changes in the Implicit Price Deflator (IPD). Claimants with an established entitlement receive an annual apportionment adjusted by any changes in the IPD and, under certain circumstances, by any changes in workload. Claimants with an established entitlement do not file further claims for the program.

The SCO is authorized to make payments for costs of mandated programs from amounts appropriated by the State Budget Act, by the State Mandates Claims Fund, or by specific legislation. In the event the appropriation is insufficient to pay claims in full, claimants will receive prorated payments in proportion to the dollar amount of approved claims for the program. Balances of prorated payments will be made when supplementary funds are made available.

The instructions contained in this manual are intended to provide general guidance for filing a mandated cost claim. Since each mandate is administered separately, it is important to refer to the specific program for information relating to established policies on eligible reimbursable costs.

### 2. Types of Claims

There are three types of claims: Reimbursement, Estimated, and Entitlement. A claimant may file a reimbursement claim for actual mandated costs incurred in the prior fiscal year or may file an estimated claim for mandated costs to be incurred during the current fiscal year. An entitlement claim may be filed for the purpose of establishing a base year entitlement amount for mandated programs included in SMAS. A claimant who has established a base year entitlement for a program would receive an automatic annual payment which is reflective of the current costs for the program.

All claims received by the SCO will be reviewed to verify actual costs. An adjustment of the claim will be made if the amount claimed is determined to be excessive, improper, or unreasonable. The claim must be filed with sufficient documentation to support the costs claimed. The types of documentation required to substantiate a claim are identified in the instructions for the program. The certification of claim, form FAM-27, must be signed and dated by the entity's authorized officer in order for the SCO to make payment on the claim.

**A. Reimbursement Claim**

A reimbursement claim is defined in GC Section 17522 as any claim filed with the SCO by a local agency for reimbursement of costs incurred for which an appropriation is made for the purpose of paying the claim. The claim must include supporting documentation to substantiate the costs claimed.

Initial reimbursement claims are first-time claims for reimbursement of costs for one or more prior fiscal years of a program that was previously unfunded. Claims are due 120 days from the date of issuance of the claiming instructions for the program by the SCO. The first statute that appropriates funds for the mandated program will specify the fiscal years for which costs are eligible for reimbursement.

Annual reimbursement claims must be filed by January 15 following the fiscal year in which costs were incurred for the program. A reimbursement claim must detail the costs actually incurred in the prior fiscal year.

An actual claim for the 2002-03 fiscal year may be filed by January 15, 2004, without a late penalty. Claims filed after the deadline will be reduced by a late penalty of 10%, not to exceed \$1,000. However, initial reimbursement claims will be reduced by a late penalty of 10% with no limitation. In order for a claim to be considered properly filed, it must include any specific supporting documentation requested in the instructions. Claims filed more than one year after the deadline or without the requested supporting documentation will not be accepted.

**B. Estimated Claim**

An estimated claim is defined in GC Section 17522 as any claim filed with the SCO, during the fiscal year in which the mandated costs are to be incurred by the local agency, against an appropriation made to the SCO for the purpose of paying those costs.

An estimated claim may be filed in conjunction with an initial reimbursement claim, annual reimbursement claim, or at other times for estimated costs to be incurred during the current fiscal year. Annual estimated claims are due January 15 of the fiscal year in which the costs are to be incurred. Initial estimated claims are due on the date specified in the claiming instructions. Timely filed estimated claims are paid before those filed after the deadline.

After receiving payment for an estimated claim, the claimant must file a reimbursement claim by January 15 following the fiscal year in which costs were incurred. If the claimant fails to file a reimbursement claim, monies received for the estimated claims must be returned to the State.

**C. Entitlement Claim**

An entitlement claim is defined in GC Section 17522 as any claim filed by a local agency with the SCO for the sole purpose of establishing or adjusting a base year entitlement for a mandated program that has been included in SMAS. An entitlement claim should not contain nonrecurring or initial start-up costs. There is no statutory deadline for the filing of entitlement claims. However, entitlement claims and supporting documents should be filed by January 15 to permit an orderly processing of claims. When the claims are approved and a base year entitlement amount is determined, the claimant will receive an apportionment reflective of the program's current year costs. School mandates included in SMAS are listed in Section 2, number 6.

Once a mandate has been included in SMAS and the claimant has established a base year entitlement, the claimant will receive automatic payments from the SCO for the mandate. The automatic apportionment is determined by adjusting the claimant's base year entitlement for changes in the implicit price deflator of costs of goods and services to governmental agencies, as determined by the State Department of Finance. For programs approved by the COSM for inclusion in SMAS on or after January 1, 1988, the payment for each year succeeding the three year base period is adjusted according to any changes by both the deflator and average daily attendance. Annual apportionments for programs included in the system are paid on or before November 30 of each year.



A base year entitlement is determined by computing an average of the claimant's costs for any three consecutive years after the program has been approved for the SMAS process. The amount is first adjusted according to any changes in the deflator. The deflator is applied separately to each year's costs for the three years, which comprise the base year. The SCO will perform this computation for each claimant who has filed claims for three consecutive years. If a claimant has incurred costs for three consecutive years but has not filed a claim in each of those years, the claimant may file an entitlement claim, form FAM-43, to establish a base year entitlement. An entitlement claim does not result in the claimant being reimbursed for the costs incurred, but rather entitles the claimant to receive automatic payments from SMAS.

### **3. Minimum Claim Amount**

For initial claims and annual claims filed on or after September 30, 2002, if the total costs for a given year do not exceed \$1,000, no reimbursement shall be allowed except as otherwise allowed by GC Section 17564. The county shall determine if the submission of a combined claim is economically feasible and shall be responsible for disbursing the funds to each special district. Combined claims may be filed only when the county is the fiscal agent for the special districts. A combined claim must show the individual claim costs for each eligible school district. All subsequent claims based upon the same mandate shall only be filed in the combined form unless a special district, provides to the county and to the Controller, at least 180 days prior to the deadline for filing the claim, a written notice of its intent to file a separate claim.

GC Section 17564(a) provides that no claim shall be filed pursuant to Sections 17551 and 17561, unless such a claim exceeds one thousand dollars (\$1,000), provided that a county superintendent of schools may submit a combined claim on behalf of school districts within their county if the combined claim exceeds \$1,000, even if the individual school district's claim does not each exceed \$1,000. The county superintendent of schools shall determine if the submission of the combined claim is economically feasible and shall be responsible for disbursing the funds to each school district. These combined claims may be filed only when the county superintendent of schools is the fiscal agent for the districts. A combined claim must show the individual claim costs for each eligible district. All subsequent claims based upon the same mandate shall only be filed in the combined form unless a school district provides a written notice of its intent to file a separate claim to the county superintendent of schools and to the SCO at least 180 days prior to the deadline for filing the claim.

### **4. Filing Deadline for Claims**

Initial reimbursement claims (first-time claims) for reimbursement of costs of a previously unfunded mandated program must be filed within 120 days from the date of issuance of the program's claiming instructions by the SCO. If the initial reimbursement claim is filed after the deadline, but within one year of the deadline, the approved claim must be reduced by a 10% penalty. A claim filed more than one year after the deadline cannot be accepted for reimbursement.

Annual reimbursement claims for costs incurred during the previous fiscal year and estimated claims for costs to be incurred during the current fiscal year must be filed with the SCO and postmarked on or before January 15. If the annual or estimated reimbursement claim is filed after the deadline, but within one year of the deadline, the approved claim must be reduced by a 10% late penalty, not to exceed \$1,000. Claims must include supporting data to show how the amount claimed was derived. Without this information, the claim cannot be accepted.

Entitlement claims do not have a filing deadline. However, entitlement claims and supporting documents should be filed by January 15 to permit an orderly processing of claims. Entitlement claims are used to establish a base year entitlement amount for calculating automatic annual payments. Entitlement does not result in the claimant being reimbursed for costs incurred, but rather entitles the claimant to receive automatic payments from SMAS.

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## 5. Payment of Claims

In order for the SCO to authorize payment of a claim, the Certification of Claim, form FAM-27, must be properly filled out, signed, and dated by the entity's authorized officer.

Reimbursement and estimated claims are paid within 60 days of the filing deadline for the claim. A claimant is entitled to receive accrued interest at the pooled money investment account rate if the payment was made more than 60 days after the claim filing deadline or the actual date of claim receipt, whichever is later. For an initial claim, interest begins to accrue when the payment is made more than 365 days after the adoption of the program's statewide cost estimate. The SCO may withhold up to 20 percent of the amount of an initial claim until the claim is audited to verify the actual amount of the mandated costs. The 20 percent withheld is not subject to accrued interest.

In the event the amount appropriated by the Legislature is insufficient to pay the approved amount in full for a program, claimants will receive a prorated payment in proportion to the amount of approved claims timely filed and on hand at the time of proration.

The SCO reports the amounts of insufficient appropriations to the State Department of Finance, the Chairperson of the Joint Legislative Budget Committee, and the Chairperson of the respective committee in each house of the Legislature which considers appropriations in order to assure appropriation of these funds in the Budget Act. If these funds cannot be appropriated on a timely basis in the Budget Act, this information is transmitted to the COSM which will include these amounts in its report to assure that an appropriation sufficient to pay the claims is included in the next local government claims bill or other appropriation bills. When the supplementary funds are made available, the balance of the claims will be paid.

Unless specified in the statutes, regulations, or parameters and guidelines, the determination of allowable and unallowable costs for mandates is based on the Parameters and Guidelines adopted by the COSM. The determination of allowable reimbursable mandated costs for unfunded mandates is made by the COSM. The SCO determines allowable reimbursable costs, subject to amendment by the COSM, for mandates funded by special legislation. Unless specified, allowable costs are those direct and indirect costs, less applicable credits, considered to be eligible for reimbursement. In order for costs to be allowable and thus eligible for reimbursement, the costs must meet the following general criteria:

1. The cost is necessary and reasonable for proper and efficient administration of the mandate and not a general expense required to carry out the overall responsibilities of government.
2. The cost is allocable to a particular cost objective identified in the Parameters and Guidelines.
3. The cost is net of any applicable credits that offset or reduce expenses of items allocable to the mandate.

The SCO has identified certain costs that, for the purpose of claiming mandated costs, are unallowable and should not be claimed on the claim forms unless specified as reimbursable under the program. These expenses include, but are not limited to, subscriptions, depreciation, memberships, conferences, workshops general education, and travel costs.

## 6. State Mandates Apportionment System (SMAS)

Chapter 1534, Statutes of 1985, established SMAS, a method of paying certain mandated programs as apportionments. This method is utilized whenever a program has been approved for inclusion in SMAS by the COSM.

When a mandated program has been included in SMAS, the SCO will determine a base year entitlement amount for each school district that has submitted reimbursement claims, (or entitlement claims), for three consecutive fiscal years. A base year entitlement amount is determined by averaging the approved reimbursement claims, (or entitlement claims), for 1982-83, 1983-84, and 1984-85 years or any three consecutive fiscal years thereafter. The amounts are first adjusted by any change in IPD, which is applied separately to each year's costs for the three years

that comprise the base period. The base period means the three fiscal years immediately succeeding the COSM's approval.

Each school district with an established base year entitlement for the program will receive automatic annual payments from the SCO reflective of the program's current year costs. The amount of apportionment is adjusted annually for any change in the IPD. If the mandated program was included in SMAS after January 1, 1988, the annual apportionment is adjusted for any change in both the IPD and workload.

In the event a school district has incurred costs for three consecutive fiscal years but did not file a reimbursement claim in one or more of those fiscal years, the school district may file an entitlement claim for each of those missed years to establish a base year entitlement. An "entitlement claim" means any claim filed by a county with the SCO for the sole purpose of establishing a base year entitlement. A base year entitlement shall not include any nonrecurring or initial start-up costs.

Initial apportionments are made on an individual program basis. After the initial year, all apportionments are made by November 30. The amount to be apportioned is the base year entitlement adjusted by annual changes in the IPD for the cost of goods and services to governmental agencies as determined by the State Department of Finance.

In the event the county determines that the amount of apportionment does not accurately reflect costs incurred to comply with a mandate, the process of adjusting an established base year entitlement upon which the apportionment is based, is set forth in GC Section 17615.8 and requires the approval of the COSM.

School Mandates Included In SMAS

Program Name	Chapter/Statute	Program Number
Immunization Records	Ch. 1176/77	32

Pupil Expulsion Transcripts, program #91, Chapter 1253/75 was removed from SMAS for the 2002-03 fiscal year. This program was consolidated with other mandate programs that are included in Pupil Suspension, Expulsions, and Expulsion Appeals, program #176.

## 7. Direct Costs

A direct cost is a cost that can be identified specifically with a particular program or activity. Each claimed reimbursable cost must be supported by documentation as described in Section 12. Costs that are typically classified as direct costs are:

### (1) Employee Wages, Salaries, and Fringe Benefits

For each of the mandated activities performed, the claimant must list the names of the employees who worked on the mandate, their job classification, hours worked on the mandate, and rate of pay. The claimant may, in-lieu of reporting actual compensation and fringe benefits, use a productive hourly rate:

#### (a) Productive Hourly Rate Options

A local agency may use one of the following methods to compute productive hourly rates:

- Actual annual productive hours for each employee
- The weighted-average annual productive hours for each job title, or
- 1,800\* annual productive hours for all employees

If actual annual productive hours or weighted-average annual productive hours for each job title is chosen, the claim must include a computation of how these hours were computed.

\* 1,800 annual productive hours excludes the following employee time:

- Paid holidays
- Vacation earned
- Sick leave taken
- Informal time off
- Jury duty
- Military leave taken.

**(b) Compute a Productive Hourly Rate**

1. Compute a productive hourly rate for salaried employees to include actual fringe benefit costs. The methodology for converting a salary to a productive hourly rate is to compute the employee's annual salary and fringe benefits and divide by the annual productive hours.

**Table 1 Productive Hourly Rate, Annual Salary + Benefits Method**

<b>Formula:</b>	<b>Description:</b>
$[(EAS + Benefits) \div APH] = PHR$	EAS = Employee's Annual Salary
	APH = Annual Productive Hours
$[(\$26,000 + \$8,099) \div 1,800 \text{ hrs}] = 18.94$	PHR = Productive Hourly Rate

- As illustrated in Table 1, if you assume an employee's compensation was \$26,000 and \$8,099 for annual salary and fringe benefits, respectively, using the "Salary + Benefits Method," the productive hourly rate would be \$18.94. To convert a biweekly salary to EAS, multiply the biweekly salary by 26. To convert a monthly salary to EAS, multiply the monthly salary by 12. Use the same methodology to convert other salary periods.
2. A claimant may also compute the productive hourly rate by using the "Percent of Salary Method."

**Table 2 Productive Hourly Rate, Percent of Salary Method**

<b>Example:</b>		
<b>Step 1:</b> <i>Fringe Benefits as a Percent of Salary</i>		<b>Step 2:</b> <i>Productive Hourly Rate</i>
Retirement	15.00 %	<b>Formula:</b> [(EAS x (1 + FBR)) ÷ APH] = PHR  [(\$26,000 x (1.3115)) ÷ 1,800 ] = \$18.94
Social Security & Medicare	7.65	
Health & Dental Insurance	5.25	
Workers Compensation	3.25	
<b>Total</b>	<b>31.15 %</b>	
<b>Description:</b>		
EAS = Employee's Annual Salary		APH = Annual Productive Hours
FBR = Fringe Benefit Rate		PHR = Productive Hourly Rate

- As illustrated in Table 3, both methods produce the same productive hourly rate.

Reimbursement for personnel services includes, but is not limited to, compensation paid for salaries, wages and employee fringe benefits. Employee fringe benefits include employer's contributions for social security, pension plans, insurance, workmen's compensation insurance and similar payments. These benefits are eligible for reimbursement as long as they are distributed equitably to all activities. Whether these costs are allowable is based on the following presumptions:

- The amount of compensation is reasonable for the service rendered.
- The compensation paid and benefits received are appropriately authorized by the governing board.
- Amounts charged for personnel services are based on payroll documents that are supported by time and attendance or equivalent records for individual employees.
- The methods used to distribute personnel services should produce an equitable distribution of direct and indirect allowable costs.

For each of the employees included in the claim, the claimant must use reasonable rates and hours in computing the wage cost. If a person of a higher-level job position performs an activity which normally would be performed by a lower-level position, reimbursement for time spent is allowable at the average salary range for the lower-level position. The salary rate of the person at the higher level position may be claimed if it can be shown that it was more cost effective in comparison to the performance by a person at the lower-level position under normal circumstances and conditions. The number of hours charged to an activity should reflect the time expected to complete the activity under normal circumstances and conditions. The numbers of hours in excess of normal expected hours are not reimbursable.

### (c) Calculating an Average Productive Hourly Rate

In those instances where the claiming instructions allow a unit as a basis of claiming costs, the direct labor component of the unit cost should be expressed as an average productive hourly rate and can be determined as follows:

<b>Table 4 Calculating an Average Productive Hourly Rate</b>			
	<u>Time Spent</u>	<u>Productive Hourly Rate</u>	<u>Total Cost by Employee</u>
Employee A	1.25 hrs	\$6.00	\$7.50
Employee B	0.75 hrs	4.50	3.38
Employee C	3.50 hrs	10.00	35.00
Total	5.50 hrs		\$45.88
Average Productive Hourly Rate is $\$45.88 / 5.50 \text{ hrs.} = \$8.34$			

### (d) Employer's Fringe Benefits Contribution

A local agency has the option of claiming actual employer's fringe benefit contributions or may compute an average fringe benefit cost for the employee's job classification and claim it as a percentage of direct labor. The same time base should be used for both salary and fringe benefits when computing a percentage. For example, if health and dental insurance payments are made annually, use an annual salary. After the percentage of salary for each fringe benefit is computed, total them.

For example:

<u>Employer's Contribution</u>	<u>% of Salary</u>
Retirement	15.00%
Social Security	7.65%
Health and Dental	5.25%
Insurance	
Worker's Compensation	0.75%
Total	<u>28.65%</u>

**(e) Materials and Supplies**

Only actual expenses can be claimed for materials and supplies, which were acquired and consumed specifically for the purpose of a mandated program. The claimant must list the materials and supplies that were used to perform the mandated activity, the number of units consumed, the cost per unit, and the total dollar amount claimed. Materials and supplies purchased to perform a particular mandated activity are expected to be reasonable in quality, quantity and cost. Purchases in excess of reasonable quality, quantity and cost are not reimbursable. Materials and supplies withdrawn from inventory and charged to the mandated activity must be based on a recognized method of pricing, consistently applied. Purchases shall be claimed at the actual price after deducting discounts, rebates and allowances received by local agencies.

**(f) Calculating a Unit Cost for Materials and Supplies**

In those instances where the claiming instructions suggest that a unit cost be developed for use as a basis of claiming costs mandated by the State, the materials and supplies component of the unit cost should be expressed as a unit cost of materials and supplies as shown in Table 1 or Table 2:

**Table 1 Calculating A Unit Cost for Materials and Supplies**

<b>Supplies</b>	<u>Cost Per Unit</u>	<u>Amount of Supplies Used Per Activity</u>	<u>Unit Cost of Supplies Per Activity</u>
Paper	0.02	4	\$0.08
Files	0.10	1	0.10
Envelopes	0.03	2	0.06
Photocopies	0.10	4	<u>0.40</u>
			<u>\$0.64</u>

**Table 2 Calculating a Unit Cost for Materials and Supplies**

<b>Supplies</b>	<b>Supplies Used</b>	<b>Unit Cost of Supplies Per Activity</b>
Paper (\$10.00 for 500 sheet ream)	250 Sheets	\$5.00
Files (\$2.50 for box of 25)	10 Folders	1.00
Envelopes (\$3.00 for box of 100)	50 Envelopes	1.50
Photocopies (\$0.05 per copy)	40 Copies	2.00
		<u>\$9.50</u>
If the number of reimbursable instances, is 25, then the unit cost of supplies is \$0.38 per reimbursable instance (\$9.50 / 25).		

**(g) Contract Services**

The cost of contract services is allowable if the local agency lacks the staff resources or necessary expertise, or it is economically feasible to hire a contractor to perform the mandated activity. The claimant must give the name of the contractor; explain the reason for having to hire a contractor; describe the mandated activities performed; give the dates when the activities were performed, the number of hours spent performing the mandate, the hourly billing rate, and the total cost. The hourly billing rate shall not exceed the rate specified in the claiming instructions for the mandated program. The contractor's invoice, or statement, which includes an itemized list of costs for activities performed, must accompany the claim.

**(h) Equipment Rental Costs**

Equipment purchases and leases (with an option to purchase) are not reimbursable as a direct cost unless specifically allowed by the claiming instructions for the particular mandate. Equipment rentals used solely for the mandate are reimbursable to the extent such costs do not exceed the retail purchase price of the equipment plus a finance charge. The claimant must explain the purpose and use for the equipment, the time period for which the equipment was rented and the total cost of the rental. If the equipment is used for purposes other than reimbursable activities, only the prorata portion of the rental costs can be claimed.

**(i) Capital Outlay**

Capital outlays for land, buildings, equipment, furniture and fixtures may be claimed if the claiming instructions specify them as allowable. If they are allowable, the claiming instructions for the program will specify a basis for the reimbursement. If the fixed asset or equipment is also used for purposes other than reimbursable activities for a specific mandate, only the prorata portion of the purchase price used to implement the reimbursable activities can be claimed.

**(j) Travel Expenses**

Travel expenses are normally reimbursable in accordance with travel rules and regulations of the local jurisdiction. For some programs, however, the claiming instructions may specify certain limitations on expenses, or that expenses can only be reimbursed in accordance with the State Board of Control travel standards. When claiming travel expenses, the claimant must explain the purpose of the trip, identify the name and address of the persons incurring the expense, the date and time of departure and return for the trip, description of each expense claimed, the cost of transportation,

number of private auto mileage traveled, and the cost of tolls and parking with receipts required for charges over \$10.00.

**(k) Documentation**

It is the responsibility of the claimant to make available to the SCO, upon request, documentation in the form of general and subsidiary ledgers, purchase orders, invoices, contracts, canceled warrants, equipment usage records, land deeds, receipts, employee time sheets, agency travel guidelines, inventory records, and other relevant documents to support claimed costs. The type of documentation necessary for each claim may differ with the type of mandate.

**8. Indirect Costs**

Indirect costs are: (a) Incurred for a common or joint purpose benefiting more than one cost objective, and (b) not readily assignable to the cost objectives specifically benefited, without effort disproportionate to the results achieved. Indirect costs can originate in the department performing the mandate or in departments that supply the department performing the mandate with goods, services and facilities. As noted previously, in order for a cost to be allowable, it must be allocable to a particular cost objective. With respect to indirect costs, this requires that the cost be distributed to benefiting cost objectives on bases, which produce an equitable result in relation to the benefits derived by the mandate.

A college has the option of using a federally approved rate, utilizing the cost accounting principles from Office of Management and Budget Circular A-21 "Cost Principles for Educational Institutions," or the Controller's methodology outlined in the following paragraphs. If the federal rate is used, it must be from the same fiscal year in which the costs were incurred.

The Controller allows the following methodology for use by community colleges in computing an indirect cost rate for state mandates. The objective of this computation is to determine an equitable rate for use in allocating administrative support to personnel that performed the mandated cost activities claimed by the community college. This methodology assumes that administrative services are provided to all activities of the institution in relation to the direct costs incurred in the performance of those activities. Form FAM-29C has been developed to assist the community college in computing an indirect cost rate for state mandates. Completion of this form consists of three main steps:

1. The elimination of unallowable costs from the expenses reported on the financial statements.
2. The segregation of the adjusted expenses between those incurred for direct and indirect activities.
3. The development of a ratio between the total indirect expenses and the total direct expenses incurred by the community college.

The computation is based on total expenditures as reported in "California Community Colleges Annual Financial and Budget Report, Expenditures by Activity (CCFS-311)." Expenditures classified by activity are segregated by the function they serve. Each function may include expenses for salaries, fringe benefits, supplies, and capital outlay. OMB Circular A-21 requires expenditures for capital outlays to be excluded from the indirect cost rate computation.

Generally, a direct cost is one incurred specifically for one activity, while indirect costs are of a more general nature and are incurred for the benefit of several activities. As previously noted, the objective of this computation is to equitably allocate administrative support costs to personnel that perform mandated cost activities claimed by the college. For the purpose of this computation we have defined indirect costs to be those costs which provide administrative support to personnel who perform mandated cost activities. We have defined direct costs to be those costs that do not provide administrative support to personnel who perform mandated cost activities and those costs that are directly related to instructional activities of the college. Accounts that should be classified



as indirect costs are: Planning, Policy Making and Coordination, Fiscal Operations, Human Resources Management, Management Information Systems, Other General Institutional Support Services, and Logistical Services. If any costs included in these accounts are claimed as a mandated cost, i.e., salaries of employees performing mandated cost activities, the cost should be reclassified as a direct cost. Accounts in the following groups of accounts should be classified as direct costs: Instruction, Instructional Administration, Instructional Support Services, Admissions and Records, Counseling and Guidance, Other Student Services, Operation and Maintenance of Plant, Community Relations, Staff Development, Staff Diversity, Non-instructional Staff-Retirees' Benefits and Retirement Incentives, Community Services, Ancillary Services and Auxiliary Operations. A college may classify a portion of the expenses reported in the account Operation and Maintenance of Plant as indirect. The claimant has the option of using a 7% or a higher indirect cost percentage if the college can support its allocation basis.

The indirect cost rate, derived by determining the ratio of total indirect expenses to total direct expenses when applied to the direct costs claimed, will result in an equitable distribution of the college's mandate related indirect costs. An example of the methodology used to compute an indirect cost rate is presented in Table 4.

**Table 4 Indirect Cost Rate for Community Colleges**

MANDATED COST INDIRECT COST RATE FOR COMMUNITY COLLEGES					FORM FAM-29C	
(01) Claimant				(02) Period of Claim		
(03) Expenditures by Activity				(04) Allowable Costs		
Activity	EDP	Total	Adjustments	Total	Indirect	Direct
Subtotal Instruction	599	\$19,590,357	\$1,339,059	\$18,251,298	\$0	\$18,251,298
Instructional Administration and Instructional Governance	6000					
Academic Administration	6010	2,941,386	105,348	2,836,038	0	2,836,038
Course and Curriculum Develop.	6020	21,595	0	21,595	0	21,595
Academic/Faculty Senate	6030					
Other Instructional Administration & Instructional Governance	6090					
Instructional Support Services	6100					
Learning Center	6110	22,737	863	21,874	0	21,874
Library	6120	518,220	2,591	515,629	0	515,629
Media	6130	522,530	115,710	406,820	0	406,820
Museums and Galleries	6140	0	0	0	0	0
Academic Information Systems and Tech.	6150					
Other Instructional Support Services	6190					
Admissions and Records	6200	584,939	12,952	571,987	0	571,987
Counseling and Guidance	6300					
Counseling and Guidance	6310					
Matriculation and Student Assessment	6320					
Transfer Programs	6330					
Career Guidance	6340					
Other Student Counseling and Guidance	6390					
Other Student Services	6400					
Disabled Students Programs & Services	6420					
Subtotal		\$24,201,764	\$1,576,523	\$22,625,241	\$0	\$22,625,241

Table 4 Indirect Cost Rate for Community Colleges (continued)

MANDATED COST INDIRECT COST RATE FOR COMMUNITY COLLEGES					FORM FAM-29C	
(01) Claimant				(02) Period of Claim		
(03) Expenditures by Activity				(04) Allowable Costs		
Activity	EDP	Total	Adjustments	Total	Indirect	Direct
Extended Opportunity Programs & Services	6430					
Health Services	6440	0	0	0	0	0
Student Personnel Admin.	6450	289,926	12,953	276,973	0	276,973
Financial Aid Administration	6460	391,459	20,724	370,735	0	370,735
Job Placement Services	6470	83,663	0	83,663	0	83,663
Veterans Services	6480	25,427	0	25,427	0	25,427
Miscellaneous Student Services	6490	0	0	0	0	0
Operation & Maintenance of Plant	6500					
Building Maintenance and Repairs	6510	1,079,260	44,039	1,035,221	0	1,035,221
Custodial Services	6530	1,227,668	33,677	1,193,991	0	1,193,991
Grounds Maintenance and Repairs	6550	596,257	70,807	525,450	0	525,450
Utilities	6570	1,236,305	0	1,236,305	0	1,236,305
Other	6590	3,454	3,454	0	0	0
Planning, Policy Making, and Coordination	6600	587,817	22,451	565,366	565,366	0
General Inst. Support Services	6700					
Community Relations	6710	0	0	0	0	0
Fiscal Operations	6720	634,605	17,270	617,335	553,184	(a) 64,151
Human Resources Management	6730					
Noninstructional Staff Benefits & Incentives	6740					
Staff Development	6750					
Staff Diversity	6760					
Logistical Services	6770					
Management Information Systems	6780					
Subtotal		\$30,357,605	\$1,801,898	\$28,555,707	\$1,118,550	\$27,437,157

**Table 4 Indirect Cost Rate for Community Colleges (continued)**

MANDATED COST INDIRECT COST RATE FOR COMMUNITY COLLEGES					FORM FAM-29C	
(01) Claimant				(02) Period of Claim		
(03) Expenditures by Activity				(04) Allowable Costs		
Activity	EDP	Total	Adjustments	Total	Indirect	Direct
General Inst. Sup. Serv. (cont.)	6700					
Other General Institutional Support Services	6790					
Community Services	6800					
Community Recreation	6810	703,858	20,509	683,349	0	683,349
Community Service Classes	6820	423,188	24,826	398,362	0	398,362
Community Use of Facilities	6830	89,877	10,096	79,781	0	79,781
Economic Development	6840					
Other Community Svcs. & Economic Development	6890					
Ancillary Services	6900					
Bookstores	6910	0	0	0	0	0
Child Development Center	6920	89,051	1,206	87,845	0	87,845
Farm Operations	6930	0	0	0	0	0
Food Services	6940	0	0	0	0	0
Parking	6950	420,274	6,857	413,417	0	413,417
Student Activities	6960	0	0	0	0	0
Student Housing	6970	0	0	0	0	0
Other	6990	0	0	0	0	0
Auxiliary Operations	7000					
Auxiliary Classes	7010	1,124,557	12,401	1,112,156	0	1,112,156
Other Auxiliary Operations	7090	0	0	0	0	0
Physical Property Acquisitions	7100	814,318	814,318	0	0	0
(05) Total		\$34,022,728	\$2,692,111	\$31,330,617	\$1,118,550	\$30,212,067
(06) Indirect Cost Rate: (Total Indirect Cost/Total Direct Cost)				3,70233%		
(07) Notes						
(a) Mandated Cost activities designated as direct costs per claim instructions.						

## 9. Offset Against Mandated Claims

As noted previously, allowable costs are defined as those direct and indirect costs, less applicable credits, considered to be eligible for reimbursement. When all or part of the costs of a mandated program are specifically reimbursable from local assistance revenue sources (e.g., state, federal, foundation, etc.), only that portion of any increased costs payable from school district funds is eligible for reimbursement under the provisions of GC Section 17561.

### Example 1:

As illustrated in Table 5, this example shows how the "Offset against State Mandated Claims" is determined for school districts receiving block grant revenues not based on a formula allocation. Program costs for each of the situations equals \$100,000.

**Table 5 Offset Against State Mandates, Example 1**

	<b>Program Costs</b>	<b>Actual Local Assistance Revenues</b>	<b>State Mandated Costs</b>	<b>Offset Against State Mandated Claims</b>	<b>Claimable Mandated Costs</b>
1.	\$100,000	\$95,000	\$2,500	\$-0-	\$2,500
2.	100,000	97,000	2,500	-0-	2,500
3.	100,000	98,000	2,500	500	2,000
4.	100,000	100,000	2,500	2,500	-0-
5.	100,000 *	50,000	2,500	1,250	1,250
6.	100,000 *	49,000	2,500	250	2,250

\* School district share is \$50,000 of the program cost.

Numbers (1) through (4), in Table 5, show intended funding at 100% from local assistance revenue sources. Numbers (5) and (6) show cost sharing on a 50/50 basis with the district. In numbers (1) through (6), included in the program costs of \$100,000 are state mandated costs of \$2,500. The offset against state mandated claims is the amount of actual local assistance revenues which exceeds the difference between program costs and state mandated costs. This offset cannot exceed the amount of state mandated costs.

In (1), local assistance revenues were less than expected. Local assistance funding was not in excess of the difference between program costs and state mandated costs. As a result, the offset against state mandated claims is zero and \$2,500 is claimable as mandated costs.

In (4), local assistance revenues were fully realized to cover the entire cost of the program, including the state mandate activity; therefore, the offset against state mandated claims is \$2,500, and claimable costs are \$0..

In (5), the district is sharing 50% of the project cost. Since local assistance revenues of \$50,000 were fully realized, the offset against state mandated claims is \$1,250.

In (6), local assistance revenues were less than the amount expended and the offset against state mandated claims is \$250. Therefore, the claimable mandated costs are \$2,250.

### Example 2:

As illustrated in Table 6, this example shows how the offset against state mandated claims is determined for school districts receiving special project funds based on approved actual costs. Local assistance revenues for special projects must be applied proportionately to approved costs.

**Table 6 Offset Against State Mandates, Example 2**

	<b>Program Costs</b>	<b>Actual Local Assistance Revenues</b>	<b>State Mandated Costs</b>	<b>Offset Against State Mandated Claims</b>	<b>Claimable Mandated Costs</b>
1.	\$100,000	\$100,000	\$2,500	\$2,500	\$-0-
2.	100,000 **	75,000	2,500	1,875	625
3.	100,000 **	45,000	1,500	1,125	375

\*\* School district share is \$25,000 of the program cost.

In (2), the entire program cost was approved. Since the local assistance revenue source covers 75% of the program cost, it also proportionately covered 75% of the \$2,500 state mandated costs, or \$1,875.

If in (3) local assistance revenues are less than the amount expected because only \$60,000 of the \$100,000 program costs were determined to be valid by the contracting agency, then a proportionate share of state mandated costs is likewise reduced to \$1,500. The offset against state mandated claims is \$1,125. Therefore, the claimable mandated costs are \$375.

### **Federal and State Funding Sources**

The listing in Appendix C is not inclusive of all funding sources that should be offset against mandated claims but contains some of the more common ones. State school fund apportionments and federal aid for education, which are based on average daily attendance and are part of the general system of financing public schools as well as block grants which do not provide for specific reimbursement of costs (i.e., allocation formulas not tied to expenditures), should not be included as reimbursements from local assistance revenue sources.

### **Governing Authority**

The costs of salaries and expenses of the governing authority, such as the school superintendent and governing board, are not reimbursable. These are costs of general government as described in the Office of Management and Budget Circular A-87, "Cost Principles for State, Local and Indian Tribal Governments".

## **10. Notice of Claim Adjustment**

All claims submitted to the SCO are reviewed to determine if the claim was prepared in accordance with the claiming instructions. If any adjustments are made to a claim, the claimant will receive a "Notice of Claim Adjustments" detailing adjustments made by the SCO.

## **11. Audit of Costs**

All claims submitted to the State Controller's Office (SCO) are reviewed to determine if costs are related to the mandate, are reasonable and not excessive, and the claim was prepared in accordance with the SCO's claiming instructions and the Parameters and Guidelines (P's & G's) adopted by the Commission on State Mandates (COSM). If any adjustments are made to a claim, a "Notice of Claim Adjustment" specifying the claim component adjusted, the amount adjusted, and the reason for the adjustment, will be mailed within 30 days after payment of the claim.

Pursuant to Government Code (GC) Section 17558.5, subdivision (a), a reimbursement claim for actual costs filed by a local agency or school district pursuant to this chapter is subject to the initiation of an audit by the Controller no later than three years after the date that the actual reimbursement claim is filed or last amended, whichever is later. However, if no funds are appropriated or no payment is made to a claimant for the program for the fiscal year for which the claim is filed, the time for the Controller to initiate an audit shall commence to run from the date of initial payment of the claim. All documents used to support the reimbursable activities, must be

retained during the period subject to audit. If an audit has been initiated by the Controller during the period subject to audit, the retention period is extended until the ultimate resolution of any audit findings.

On-site audits will be conducted by the SCO as deemed necessary. Accordingly, all documentation to support actual costs claimed must be retained for a period of three years after the end of the calendar year in which the reimbursement claim was filed or amended regardless of the year of costs incurred. When no funds are appropriated for initial claims at the time the claim is filed, supporting documents must be retained for three years from the date of initial payment of the claim. Claim documentation shall be made available to the SCO on request.

## **12. Source Documents**

To be eligible for mandated cost reimbursement for any fiscal year, only actual costs may be claimed. Actual costs are those costs actually incurred to implement the mandated activities. Actual costs must be traceable and supported by source documents that show the validity of such costs, when they were incurred, and their relationship to the reimbursable activities. A source document is a document created at or near the same time the actual cost was incurred for the event or activity in question. Source documents may include, but are not limited to, employee time records or time logs, sign-in sheets, invoices, and receipts.

Evidence corroborating the source documents may include, but is not limited to, worksheets, cost allocation reports (system generated), purchase orders, contracts, agendas, training packets, and declarations. Declarations must include a certification or declaration stating, "I certify under penalty of perjury under the laws of the State of California that the foregoing is true and correct based upon personal knowledge." Evidence corroborating the source documents may include data relevant to the reimbursable activities otherwise in compliance with local, state, and federal government requirements. However, corroborating documents cannot be substituted for source documents.

## **13. Claim Forms and Instructions**

A claimant may submit a computer generated report in substitution for Form-1 and Form-2, provided the format of the report and data fields contained within the report are identical to the claim forms included with these instructions. The claim forms provided with these instructions should be duplicated and used by the claimant to file an estimated or reimbursement claim. The SCO will revise the manual and claim forms as necessary.

### **A. Form-2, Component/Activity Cost Detail**

This form is used to segregate the detail costs by claim component. In some mandates, specific reimbursable activities have been identified for each component. The expenses reported on this form must be supported by the official financial records of the claimant and copies of supporting documentation, as specified in the claiming instructions, must be submitted with the claims. All supporting documents must be retained for a period of not less than three years after the reimbursement claim was filed or last amended.

### **B. Form-1, Claim Summary**

This form is used to summarize direct costs by component and compute allowable indirect costs for the mandate. The direct costs summarized on this form are derived from Form-2 and are carried forward to form FAM-27.

Community colleges have the option of using a federally approved rate (i.e., utilizing the cost accounting principles from the Office of Management and Budget Circular A-21) or form FAM-29C.

### C. Form FAM-27, Claim for Payment

This form contains a certification that must be signed by an authorized officer of the county. All applicable information from Form-1 must be carried forward onto this form in order for the SCO to process the claim for payment. An original and one copy of the FAM-27 is required.

Claims should be rounded to the nearest dollar. Submit a signed original and one copy of form FAM-27, Claim for Payment, and all other forms and supporting documents **(To expedite the payment process, please sign the form FAM-27 with blue ink, and attach a copy of the form FAM-27 to the top of the claim package.)** Use the following mailing addresses:

If delivered by  
U.S. Postal Service:

Office of the State Controller  
Attn: Local Reimbursements Section  
Division of Accounting and Reporting  
P.O. Box 942850  
Sacramento, CA 94250

If delivered by  
Other delivery services:

Office of the State Controller  
Attn: Local Reimbursements Section  
Division of Accounting and Reporting  
3301 C Street, Suite 500  
Sacramento, CA 95816

## 14. RETENTION OF CLAIMING INSTRUCTIONS

For your convenience, the revised claiming instructions in this package have been arranged in alphabetical order by program name. These revisions should be inserted in the School Mandated Cost Manual and the old forms they replace should be removed. The instructions should then be retained permanently for future reference, and the forms should be duplicated to meet your filing requirements. Annually, updated forms and any other information or instructions claimants may need to file claims, as well as instructions and forms for all new programs released throughout the year will be placed on the SCO's web site at **[www.sco.ca.gov/ard/local/locreim/index/shtml](http://www.sco.ca.gov/ard/local/locreim/index/shtml)**.

If you have any questions concerning mandated cost reimbursements, please write to us at the address listed for filing claims, send e-mail to [lrsdar@sco.ca.gov](mailto:lrsdar@sco.ca.gov), or call the Local Reimbursements Section at (916) 324-5729.

All claims submitted to the SCO are reviewed to determine if costs are related to the mandate, are reasonable and not excessive, and the claim was prepared in accordance with the SCO's claiming instructions and the COSM's P's and G's. If any adjustments are made to a claim, a "Notice of Claim Adjustment" specifying the claim component adjusted, the amount adjusted, and the reason for the adjustment, will be mailed within 30 days after payment of the claim.

On-site audits will be conducted by the SCO as deemed necessary. Pursuant to GC Section 17558.5, subdivision (a), a reimbursement claim for actual costs filed by a school district is subject to audit by the State Controller no later than three years after the date the actual reimbursement claim was filed or last amended, whichever is later. However, if no funds were appropriated or no payment was made to a claimant for the program for the fiscal year for which the claim was filed, the time for the Controller to initiate an audit shall commence to run from the date of initial payment of the claim. Therefore, all documentation to support actual costs claimed must be retained for the same period, and shall be made available to the SCO on request.



OFFICE OF THE STATE CONTROLLER  
STATE MANDATED COSTS CLAIMING INSTRUCTIONS NO. 2003-08  
ABSENTEE BALLOTS  
(COMMUNITY COLLEGES)

In accordance with Government Code Section (GC §) 17561, eligible claimants may submit claims to the State Controller's Office (SCO) for reimbursement of costs incurred for state mandated cost programs. The following are claiming instructions and forms that eligible claimants will use for the filing of claims for the Absentee Ballots (AB) program. These claiming instructions are issued subsequent to adoption of the program's parameters and guidelines (P's & G's) by the Commission on State Mandates (COSM).

On June 17, 1981, the Board of Control, predecessor agency to the COSM, determined that Elections Code Section 3003, as added by Chapter 77 Statutes of 1978, and Chapter 920, Statutes of 1994, established costs mandated by the State according to the provisions listed in the amended P's & G's.

Chapter 1032, Statutes of 2002 (AB 3005) required the COSM to amend the P's & G's to delete "community college districts," as defined by Government Code Section 17519, from the list of eligible claimants. Rather than billing community college districts for election services provided by the community college districts, the community college districts must file a claim directly with the SCO for reimbursement of these costs. For your reference, the P's & G's are included as an integral part of the claiming instructions.

### **Eligible Claimants**

Any community college district, as defined in GC §17519, that has incurred increased costs as a direct result of administering their own election program, in compliance with Chapter 77, Statutes of 1978. Community college districts cannot claim reimbursement when the county election official administers a community college district's election.

### **Filing Deadlines**

#### **A. Reimbursement Claims**

Beginning with the 2002-03 fiscal year, estimated claims may be filed with the SCO and be delivered or postmarked on or before **September 9, 2003** or an actual claim for the 2002-03 fiscal year may be filed by January 15, 2004, without a late penalty. Claims filed after the deadline will be reduced by a late penalty of 10%.

In order for a claim to be considered properly filed, it must include any specific supporting documentation requested in the instructions. **Claims filed more than one year after the deadline or without the requested supporting documentation will not be accepted.**

## **B. Estimated Claims**

Unless otherwise specified in the claiming instructions, community college districts are not required to provide cost schedules and supporting documents with an estimated claim if the estimated amount does not exceed the previous fiscal year's actual costs by more than 10%. Claimants can simply enter the estimated amount on form FAM-27, line (07). However, if the estimated claim exceeds the previous fiscal year's actual costs by more than 10%, claimants must complete supplemental claim forms to support their estimated costs as specified for the program to explain the reason for the increased costs. If no explanation supporting the higher estimate is provided with the claim, it will automatically be adjusted to 110% of the previous fiscal year's actual costs. Future estimated claims filed with the SCO must be postmarked by January 15 of the fiscal year in which costs will be incurred. Claims filed timely will be paid before late claims.

### **Minimum Claim Cost**

For initial claims and annual claims filed **on or after September 30, 2002**, if the total costs for a given year do not exceed **\$1,000**, no reimbursement shall be allowed except as otherwise allowed by GC § 17564.

### **Reimbursement of Claims**

To be eligible for mandated cost reimbursement for any fiscal year, only actual costs may be claimed. Actual costs are those costs actually incurred to implement the mandated activities. Actual costs must be traceable and supported by source documents that show the validity of such costs, when they were incurred, and their relationship to the reimbursable activities.

Reimbursement claims will only be reimbursed to the extent that expenditures can be supported. If such information is unavailable, claims will be reduced. In addition, ongoing reimbursement claims must be supported by documentation as evidence of the expenditures. Examples of documentation may include, but are not limited to, employee time records that identify mandate activities, payroll records, invoices, receipts, contracts, travel expense vouchers, purchase orders, and caseload statistics. Refer to Sections IV and V of the attached amended P's & G's.

### **Audit of Costs**

All claims submitted to the SCO are reviewed to determine if costs are related to the mandate, are reasonable and not excessive, and if the claim was prepared in accordance with the P's & G's adopted by the COSM. If any adjustments are made to a claim, a "Notice of Claim Adjustment" specifying the claim component adjusted, the amount adjusted, and the reason for the adjustment, will be mailed within 30 days after payment of the claim.

On-site audits will be conducted by the SCO as deemed necessary. Pursuant to GC § 17558.5, subdivision (a), a reimbursement claim for actual costs filed by a community college district is subject to audit by the State Controller no later than three years after the date the actual reimbursement claim was filed or last amended, whichever is later. However, if no funds were appropriated or no payment was made to a claimant for the program for the fiscal year for which the claim was filed, the time for the Controller to initiate an audit shall commence to run from the date of initial payment of the claim. Therefore, all documentation to support actual costs

claimed must be retained for the same period, and shall be made available to the SCO on request.

### **Retention of Claiming Instructions**

The claiming instructions and forms in this package should be retained permanently in your Mandated Cost Manual for future reference and use in filing claims. These forms should be duplicated to meet your filing requirements. You will be notified of updated forms or changes to claiming instructions as necessary.

For your reference, these and future mandated costs claiming instructions and forms can be found on the Internet at **[www.sco.ca.gov/ard/local/locreim/index.shtml](http://www.sco.ca.gov/ard/local/locreim/index.shtml)**.

### **Address for Filing Claims**

Claims should be rounded to the nearest dollar. Submit a signed original and a copy of form FAM-27, Claim for Payment, and all other forms and supporting documents. **(To expedite the payment process, please sign the form in blue ink, and attach a copy of the form FAM-27 to the top of the claim package.)** Use the following mailing addresses:

If delivered by  
U.S. Postal Service:

Office of the State Controller  
Attn: Local Reimbursements Section  
Division of Accounting and Reporting  
P.O. Box 942850  
Sacramento, CA 94250

If delivered by  
other delivery services:

Office of the State Controller  
Attn: Local Reimbursements Section  
Division of Accounting and Reporting  
3301 C Street, Suite 500  
Sacramento, CA 95816

# **PARAMETERS AND GUIDELINES AMENDMENT**

Elections Code Sections 3003 and 3024

Statutes 1978, Chapter 77  
Statutes 2002, Chapter 1032

## *Absentee Ballots*

### **I. SUMMARY OF THE MANDATE**

Elections Code section 3003, as added by Statutes 1978, chapter 77, and amended by Statutes 1994, chapter 920, requires that absentee ballots be available to any registered voter.<sup>1</sup> The Board of Control, predecessor agency to the Commission on State Mandates, determined at its hearing of June 17, 1981, that a reimbursable state mandate requiring an “increased level of service” exists in Statutes 1978, chapter 77. Under prior law, absentee ballots were provided only when the following conditions were met:

- a. illness,
- b. absence from precinct at day of election,
- c. physical handicap,
- d. conflicting religious commitments, or
- e. voter’s residence is more than ten miles from his polling place.

Elections Code section 3024, as added by Statutes 2002, chapter 1032<sup>2</sup> requires the Commission on State Mandates to amend these parameters and guidelines to “delete school districts, county boards of education, and community college districts from the list of eligible claimants.”

AB 3005 specifies that the cost to administer absentee ballots when issues and elective offices related to school districts, as defined by Government Code section 17519, are included on a ballot election with non-education issues and elective offices shall not be fully or partially prorated to a school district.

### **II. ELIGIBLE CLAIMANTS**

“Local agencies,” as defined in Government Code section 17518, that have incurred increased costs as a direct result of this mandate are eligible to claim reimbursement of those costs.

“School districts,” as defined in Government Code section 17519, that have incurred increased costs as a direct result of administering their own election program are eligible to claim reimbursement of those costs. School districts cannot claim reimbursement when the county election official administers a school district election.

### **III. PERIOD OF REIMBURSEMENT**

Actual costs for one fiscal year should be included in each claim. Estimated costs for the subsequent year may be included on the same claim, if applicable. Pursuant to Government

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<sup>1</sup> Statutes 1994, chapter 920 only renumbered Elections Code section 3003.

<sup>2</sup> Assembly Bill No. 3005 (2001-2002 Reg. Sess.), hereafter referred to as AB 3005.

Code section 17561, subdivision (d)(1), all claims for reimbursement of initial years costs shall be submitted within 120 days of issuance of the claiming instructions by the State Controller.

For initial claims and annual claims filed prior to September 30, 2002, including amendments thereof, if the total costs for a given fiscal year do not exceed \$200, no reimbursement shall be allowed except as otherwise allowed by Government Code section 17564. For initial claims and annual claims filed on or after September 30, 2002, if the total costs for a given fiscal year do not exceed \$1000, no reimbursement shall be allowed except as otherwise allowed by Government Code section 17564.

#### A. Local Agencies

Government Code section 17557, prior to its amendment by Statutes 1998, chapter 681 (effective September 22, 1998) stated that a test claim must be submitted on or before December 31 following a given fiscal year to establish eligibility for that fiscal year.

Statutes 1978, chapter 77 became effective on January 1, 1979. The test claim was filed on January 2, 1981. Therefore, in accordance with Section 17557, as in effect on the date of the filing of the test claim, all costs incurred by local agencies in compliance with Statutes 1978, chapter 77 are eligible for reimbursement on or after July 1, 1980. The first claim submitted will report costs incurred from July 1, 1980 through June 30, 1981.

#### B. School Districts

California Code of Regulations, title 2, section 1185.3, prior to its amendment (effective September 13, 1999), stated that a parameters and guidelines amendment filed after the initial claiming deadline must be submitted on or before November 30 following a fiscal year in order to establish eligibility for reimbursement for that fiscal year. An amendment was filed on August 25, 1997. Therefore, in accordance with Section 1185.3, as in effect on the date of the filing of the parameters and guidelines amendment, all costs incurred by school districts in compliance with Statutes 1978, chapter 77 are eligible for reimbursement on or after July 1, 1996 through September 27, 2002.

Effective September 13, 1999, California Code of Regulations, title 2, section 1183.2, states that a parameters and guidelines amendment filed after the initial claiming deadline must be submitted on or before January 15 following a fiscal year in order to establish eligibility for reimbursement for that fiscal year. This amendment, as required by AB 3005, was effective September 28, 2002. Therefore, only those costs incurred by school districts to administer their own election program in compliance with Statutes 1978, chapter 77 are eligible for reimbursement on or after September 28, 2002.

### **IV. REIMBURSABLE ACTIVITIES**

To be eligible for mandated cost reimbursement for any fiscal year, only actual costs may be claimed. Actual costs are those costs actually incurred to implement the mandated activities. Actual costs must be traceable and supported by source documents that show the validity of such costs, when they were incurred, and their relationship to the reimbursable activities. A source document is a document created at or near the same time the actual cost was incurred for the

event or activity in question. Source documents may include, but are not limited to, employee time records or time logs, sign-in sheets, invoices, and receipts.

Evidence corroborating the source documents may include, but is not limited to, worksheets, cost allocation reports (system generated), purchase orders, contracts, agendas, training packets, and declarations. Declarations must include a certification or declaration stating, "I certify under penalty of perjury under the laws of the State of California that the foregoing is true and correct based upon personal knowledge." Evidence corroborating the source documents may include data relevant to the reimbursable activities otherwise in compliance with local, state, and federal government requirements. However, corroborating documents cannot be substituted for source documents.

The claimant is only allowed to claim and be reimbursed for increased costs for reimbursable activities identified below. Increased cost is limited to the cost of an activity that the claimant is required to incur as a result of the mandate.

For each eligible claimant, these parameters and guidelines shall provide reimbursement only for costs associated with the increase in absentee ballot filings, as determined under the formulas below.

#### A. Elections Done by the County Election Official and Billed to the Local Agency

Methods 1, 2 and 3, below, are intended for use where a local agency election is done by the county election official and billed to the local agency. When county election officials provide election services to other local agencies, the costs of those billed services pursuant to the Uniform District Election Law (Elections Code section 10500 et seq.) shall not be included in the county's reimbursement claim.

##### Method 1

This method applies when the county election official does all calculations and provides a billing that distinguishes the reimbursable amount and the non-reimbursable amount billed.

If the county election official determines the claimant's pro rata share of reimbursable costs and reports the pro rata share of these costs in a separate bill or as a line item on a bill, the claimant may claim the amount paid to the county for the reimbursable costs.

##### Method 2

This method assumes that the percentage increase in absentee ballots is uniform throughout the county, and uses the countywide figures to determine the percentage of reimbursable costs.

1. Obtain data from county election official on the number of reimbursable absentee ballots (n), the number of absentee ballots cast (z) for the fiscal year, and the amount billed to the local agency by the county for total absentee ballot costs.
2. Calculate the Reimbursable Cost Percentage

$$\frac{n}{z} \cdot 100 = \text{Reimbursable Cost Percentage (p)}$$

### 3. Calculate the Reimbursable Costs

$$\frac{p}{100} \cdot \text{amount billed by county} = \text{Amount of Reimbursable Costs}$$

#### Method 3

This method is more complex, and requires the local agency to have data on numbers of ballots and absentee ballots filed in the local agency area. It requires the collection of more data, which may or may not be readily available.

#### 1. Base Year Calculation (remains the same for all fiscal years claimed)

w) Number of ballots cast in the district or local agency area from January 1, 1975 through December 30, 1978 (w)

x) Number of absentee ballots cast in the district or local agency area from January 1, 1975 through December 30, 1978 (x)

#### 2. Calculation for Fiscal Year Claimed (compute for each fiscal year claimed)

y) Number of ballots cast in the district or local agency area in fiscal year claimed (y)

z) Number of absentee ballots cast in the district or local agency area in fiscal year claimed (z)

#### 3. Formula for Calculating Number of Reimbursable Absentee Ballots Filed

$$z - \frac{(x \cdot y)}{w} = \text{Number of reimbursable absentee ballots (n)}$$

#### 4. Calculation of Reimbursable Cost Percentage

$$\frac{n}{z} \cdot 100 = \text{Reimbursable Cost Percentage (p)}$$

#### 5. Calculation of Reimbursable Costs

$$\frac{p}{100} \cdot \text{amount billed by county} = \text{Amount of Reimbursable Costs}$$

### B. Local Agencies or School Districts that Administer their Own Elections

Method 4, below, is intended for use where local agencies and school districts do their own elections and thus have the information on both numbers of ballots and absentee ballots, as well as the per-ballot cost information needed for item 4.

#### Method 4

#### 1. Base Year Calculation (remains the same for all fiscal years claimed)

w) Number of ballots cast in the district or local agency area from January 1, 1975 through December 30, 1978 (w)

x) Number of absentee ballots cast in the district or local agency area from January 1, 1975 through December 30, 1978 (x)

2. Calculation for Fiscal Year Claimed (compute for each claim)
  - y) Number of ballots cast in the district or local agency area in fiscal year claimed (y)
  - z) Number of absentee ballots cast in the district or local agency area in fiscal year claimed (z)

3. Formula for Calculating Number of Reimbursable Absentee Ballots Filed

$$z - \frac{(x \cdot y)}{w} = \text{Number of reimbursable absentee ballots (n)}$$

4. Calculation of Cost Per Absentee Ballot Filing (See section V. Claim Preparation and Submission)

- |  |          |
|--|----------|
| a. Material                              | \$ _____ |
| b. Postage                               | \$ _____ |
| c. Labor                                 | \$ _____ |
| d. Overhead                              | \$ _____ |
| e. Cost per Absentee Ballot<br>(a+b+c+d) | \$ _____ |

5. Computation of Reimbursement

- |  |          |
|--|----------|
| A. Number of reimbursable filings (Item 3)(n)  | _____    |
| B. Cost per Absentee Ballot filing (Item 4)(e) | \$ _____ |
| Total Reimbursement (A • B)                    | \$ _____ |

## V. CLAIM PREPARATION AND SUBMISSION

Each of the following cost elements must be identified for each reimbursable activity identified in Section IV, Reimbursable Activities, of this document. Each claimed reimbursable cost must be supported by source documentation as described in Section IV. Additionally, each reimbursement claim must be filed in a timely manner.

### A. Direct Cost Reporting

Direct costs are those costs incurred specifically for the reimbursable activities. The following direct costs are eligible for reimbursement.

#### 1. Salaries and Benefits

Report each employee implementing the reimbursable activities by name, job classification, and productive hourly rate (total wages and related benefits divided by productive hours). Describe the specific reimbursable activities performed and the hours devoted to each reimbursable activity performed.



## 2. Materials and Supplies

Report the cost of materials and supplies that have been consumed or expended for the purpose of the reimbursable activities. Purchases shall be claimed at the actual price after deducting discounts, rebates, and allowances received by the claimant. Supplies that are withdrawn from inventory shall be charged on an appropriate and recognized method of costing, consistently applied.

## 3. Contracted Services

Report the name of the contractor and services performed to implement the reimbursable activities. Attach a copy of the contract to the claim. If the contractor bills for time and materials, report the number of hours spent on the activities and all costs charged. If the contract is a fixed price, report the dates when services were performed and itemize all costs for those services.

## 4. Fixed Assets and Equipment

Report the purchase price paid for fixed assets and equipment (including computers) necessary to implement the reimbursable activities. The purchase price includes taxes, delivery costs, and installation costs. If the fixed asset or equipment is also used for purposes other than the reimbursable activities, only the pro-rata portion of the purchase price used to implement the reimbursable activities can be claimed.

## 5. Travel

Report the name of the employee traveling for the purpose of the reimbursable activities. Include the date of travel, destination point, the specific reimbursable activity requiring travel, and related travel expenses reimbursed to the employee in compliance with the rules of the local jurisdiction. Report employee travel time according to the rules of cost element A.1, Salaries and Benefits, for each applicable reimbursable activity.

## B. Indirect Cost Rates

Indirect costs are costs that are incurred for a common or joint purpose, benefiting more than one program, and are not directly assignable to a particular department or program without efforts disproportionate to the result achieved. Indirect costs may include both (1) overhead costs of the unit performing the mandate; and (2) the costs of the central government services distributed to the other departments based on a systematic and rational basis through a cost allocation plan.

### Local Agencies

Compensation for indirect costs is eligible for reimbursement utilizing the procedure provided in the Office of Management and Budget (OMB) Circular A-87. Claimants have the option of using 10% of direct labor, excluding fringe benefits, or preparing an Indirect Cost Rate Proposal (ICRP) if the indirect cost rate claimed exceeds 10%.

If the claimant chooses to prepare an ICRP, both the direct costs (as defined and described in OMB Circular A-87 Attachments A and B) and the indirect costs shall exclude capital expenditures and unallowable costs (as defined and described in OMB A-87 Attachments A and

B). However, unallowable costs must be included in the direct costs if they represent activities to which indirect costs are properly allocable.

The distribution base may be (1) total direct costs (excluding capital expenditures and other distorting items, such as pass-through funds, major subcontracts, etc.), (2) direct salaries and wages, or (3) another base which results in an equitable distribution.

In calculating an ICRP, the Claimant shall have the choice of one of the following methodologies:

1. The allocation of allowable indirect costs (as defined and described in OMB Circular A-87 Attachments A and B) shall be accomplished by (1) classifying a department's total costs for the base period as either direct or indirect, and (2) dividing the total allowable indirect costs (net of applicable credits) by an equitable distribution base. The result of this process is an indirect cost rate which is used to distribute indirect costs to mandates. The rate should be expressed as a percentage which the total amount allowable indirect costs bears to the base selected; or
2. The allocation of allowable indirect costs (as defined and described in OMB Circular A-87 Attachments A and B) shall be accomplished by (1) separating a department into groups, such as divisions or sections, and then classifying the division's or section's total costs for the base period as either direct or indirect, and (2) dividing the total allowable indirect costs (net of applicable credits) by an equitable distribution base. The result of this process is an indirect cost rate that is used to distribute indirect costs to mandates. The rate should be expressed as a percentage which the total amount allowable indirect costs bears to the base selected.

### School Districts

School districts must use the J-380 (or subsequent replacement) non-restrictive indirect cost rate provisionally approved by the California Department of Education.

County offices of education must use the J-580 (or subsequent replacement) non-restrictive indirect cost rate provisionally approved by the California Department of Education.

Community colleges have the option of using: (1) a federally approved rate, utilizing the cost accounting principles from the Office of Management and Budget Circular A-21, "Cost Principles of Educational Institutions"; (2) the rate calculated on State Controller's Form FAM-29C; or (3) a 7% indirect cost rate.

## **VI. RECORD RETENTION**

Pursuant to Government Code section 17558.5, subdivision (a), a reimbursement claim for actual costs filed by a local agency or school district pursuant to this chapter<sup>3</sup> is subject to the initiation of an audit by the Controller no later than three years after the date that the actual reimbursement claim is filed or last amended, whichever is later. However, if no funds are appropriated or no payment is made to a claimant for the program for the fiscal year for which the claim is filed, the time for the Controller to initiate an audit shall commence to run from the date of initial payment

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<sup>3</sup> This refers to Title 2, division 4, part 7, chapter 4 of the Government Code.

of the claim. All documents used to support the reimbursable activities, as described in Section IV, must be retained during the period subject to audit. If an audit has been initiated by the Controller during the period subject to audit, the retention period is extended until the ultimate resolution of any audit findings.

## **VII. OFFSETTING SAVINGS AND REIMBURSEMENTS**

Any offsetting savings the claimant experiences in the same program as a result of the same statutes or executive orders found to contain the mandate shall be deducted from the costs claimed. In addition, reimbursement for this mandate from any source, including but not limited to, services fees collected, federal funds, and other state funds, shall be identified and deducted from this claim.

## **VIII. STATE CONTROLLER'S CLAIMING INSTRUCTIONS**

Pursuant to Government Code section 17558, subdivision (b), the Controller shall issue claiming instructions for each mandate that requires state reimbursement not later than 60 days after receiving the adopted parameters and guidelines from the Commission, to assist local agencies and school districts in claiming costs to be reimbursed. The claiming instructions shall be derived from the statute or executive order creating the mandate and the parameters and guidelines adopted by the Commission.

Pursuant to Government Code section 17561, subdivision (d)(1), issuance of the claiming instructions shall constitute a notice of the right of the local agencies and school districts to file reimbursement claims, based upon parameters and guidelines adopted by the Commission.

## **IX. REMEDIES BEFORE THE COMMISSION**

Upon request of a local agency or school district, the Commission shall review the claiming instructions issued by the State Controller or any other authorized state agency for reimbursement of mandated costs pursuant to Government Code section 17571. If the Commission determines that the claiming instructions do not conform to the parameters and guidelines, the Commission shall direct the Controller to modify the claiming instructions and the Controller shall modify the claiming instructions to conform to the parameters and guidelines as directed by the Commission.

In addition, requests may be made to amend parameters and guidelines pursuant to Government Code section 17557, subdivision (a), and California Code of Regulations, title 2, section 1183.2.

CLAIM FOR PAYMENT Pursuant to Government Code Section 17561 ABSENTEE BALLOTS			For State Controller Use Only		Program <b>231</b>		
(01) Claimant Identification Number			(19) Program Number 00231		231		
(02) Claimant Name			(20) Date Filed ____/____/____				
County of Location			(21) LRS Input ____/____/____				
Street Address or P.O. Box Suite			(22) AB-1, (03)(a)				
City State Zip Code			(23) AB-1, (03)(b)				
			(24) AB-1, (03)(c)				
			(25) AB-1, (03)(d)				
Type of Claim		Estimated Claim		Reimbursement Claim		Reimbursement Claim Data	
		(03) Estimated <input type="checkbox"/>		(09) Reimbursement <input type="checkbox"/>		(26) AB-1, (05)(e)	
		(04) Combined <input type="checkbox"/>		(10) Combined <input type="checkbox"/>		(27) AB-1, (06)	
		(05) Amended <input type="checkbox"/>		(11) Amended <input type="checkbox"/>		(28) AB-1, (07)	
						(29) AB-1, (08)	
Fiscal Year of Cost		(06) 20__ / 20__		(12) 20__ / 20__		(30) AB-1, (09)	
Total Claimed Amount		(07)		(13)		(31) AB-1, (10)	
Less: 10% Late Penalty, not to exceed \$1,000				(14)		(32) AB-1, (11)	
Less: Prior Claim Payment Received				(15)		(33) AB-1, (12)	
Net Claimed Amount				(16)		(34) AB-1, (13)	
Due from State		(08)		(17)		(35)	
Due to State				(18)		(36)	
<b>(37) CERTIFICATION OF CLAIM</b>  In accordance with the provisions of Government Code Section 17561, I certify that I am the officer authorized by the community college district to file mandated cost claims with the State of California for this program, and certify under penalty of perjury that I have not violated any of the provisions of Government Code Sections 1090 to 1098, inclusive.  I further certify that there was no application other than from the claimant, nor any grant or payment received, for reimbursement of costs claimed herein, and such costs are for a new program or increased level of services of an existing program. All offsetting savings and reimbursements set forth in the Parameters and Guidelines are identified, and all costs claimed are supported by source documentation currently maintained by the claimant.  The amounts for this Estimated Claim and/or Reimbursement Claim are hereby claimed from the State for payment of estimated and/or actual costs set forth on the attached statements. I certify under penalty of perjury under the laws of the State of California that the foregoing is true and correct.  <div style="display: flex; justify-content: space-between;"> <div style="width: 60%;">Signature of Authorized Officer</div> <div style="width: 40%;">Date</div> </div> <div style="display: flex; justify-content: space-between; margin-top: 20px;"> <div style="width: 60%; border-bottom: 1px solid black;"></div> <div style="width: 40%; border-bottom: 1px solid black;"></div> </div> <div style="display: flex; justify-content: space-between; margin-top: 10px;"> <div style="width: 60%;">Type or Print Name</div> <div style="width: 40%;">Title</div> </div> <div style="display: flex; justify-content: space-between; margin-top: 10px;"> <div style="width: 45%;">(38) Name of Contact Person for Claim</div> <div style="width: 10%;"></div> <div style="width: 15%;">Telephone Number</div> <div style="width: 15%;">( ) -</div> <div style="width: 15%;">Ext.</div> </div> <div style="display: flex; justify-content: space-between; margin-top: 10px;"> <div style="width: 45%;"></div> <div style="width: 10%;"></div> <div style="width: 15%;">E-Mail Address</div> <div style="width: 15%;"></div> <div style="width: 15%;"></div> </div>							

<b>Program</b> <b>231</b>	<b>ABSENTEE BALLOTS</b> <b>Certification Claim Form</b> <b>Instructions</b>	<b>FORM</b> <b>FAM-27</b>
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- (01) Enter the payee number assigned by the State Controller's Office.
- (02) Enter your Official Name, County of Location, Street or P. O. Box address, City, State, and Zip Code.
- (03) If filing an estimated claim, enter an "X" in the box on line (03) Estimated.
- (04) Leave blank.
- (05) If filing an amended estimated claim, enter an "X" in the box on line (05) Amended.
- (06) Enter the fiscal year in which costs are to be incurred.
- (07) Enter the amount of the estimated claim. If the estimate exceeds the previous year's actual costs by more than 10%, complete form AB-1 and enter the amount from line (09).
- (08) Enter the same amount as shown on line (07).
- (09) If filing a reimbursement claim, enter an "X" in the box on line (09) Reimbursement.
- (10) If filing a combined reimbursement claim on behalf of districts within the county, enter an "X" in the box on line (10) Combined.
- (11) If filing an amended reimbursement claim, enter an "X" in the box on line (11) Amended.
- (12) Enter the fiscal year for which actual costs are being claimed. If actual costs for more than one fiscal year are being claimed, complete a separate form FAM-27 for each fiscal year.
- (13) Enter the amount of the reimbursement claim from form AB-1, line (09). The total claimed amount should exceed \$1,000.
- (14) Reimbursement claims must be filed by January 15 of the following fiscal year in which costs were incurred or the claims shall be reduced by a late penalty. Enter zero if the claim was timely filed, otherwise, enter the product of multiplying line (13) by the factor 0.10 (10% penalty), not to exceed \$1,000.
- (15) If filing an actual reimbursement claim and an estimated claim was previously filed for the same fiscal year, enter the amount received for the claim. Otherwise, enter a zero.
- (16) Enter the result of subtracting line (14) and line (15) from line (13).
- (17) If line (16), Net Claimed Amount, is positive, enter that amount on line (17), Due from State.
- (18) If line (16), Net Claimed Amount, is negative, enter that amount on line (18), Due to State.
- (19) to (21) Leave blank.
- (22) to (36) Reimbursement Claim Data. Bring forward the cost information as specified on the left-hand column of lines (22) through (36) for the reimbursement claim, e.g. AB-1.2, (03)(a) means the information is located on form AB-1.2, block (03), line (a). Enter the information on the same line but in the right-hand column. Cost information should be rounded to the nearest dollar, i.e., no cents. Indirect costs percentage should be shown as a whole number and without the percent symbol, i.e., 7.548% should be shown as 8. **Completion of this data block will expedite the payment process.**
- (37) Read the statement "Certification of Claim." If it is true, the claim must be dated, signed by the agency's authorized officer, and must include the person's name and title, typed or printed. **Claims cannot be paid unless accompanied by an original signed certification. (To expedite the payment process, please sign the form FAM-27 with blue ink, and attach a copy of the form FAM-27 to the top of the claim package.)**
- (38) Enter the name, telephone number, and e-mail address of the person to contact if additional information is required.

Claims should be rounded to the nearest dollar. Submit a signed original and a copy of form FAM-27, Claim for Payment, and all other forms and supporting documents. **(To expedite the payment process, please sign the form in blue ink, and attach a copy of the form FAM-27 to the top of the claim package.)** Use the following mailing addresses:

**Address, if delivered by U.S. Postal Service:**

**OFFICE OF THE STATE CONTROLLER  
 ATTN: Local Reimbursements Section  
 Division of Accounting and Reporting  
 P.O. Box 942850  
 Sacramento, CA 94250**

**Address, if delivered by other delivery service:**

**OFFICE OF THE STATE CONTROLLER  
 ATTN: Local Reimbursements Section  
 Division of Accounting and Reporting  
 3301 C Street, Suite 500  
 Sacramento, CA 95816**

<b>Program</b> <b>231</b>	<b>MANDATED COSTS</b> <b>ABSENTEE BALLOTS</b> <b>CLAIM SUMMARY</b>				<b>FORM</b> <b>AB-1</b>	
(01) Claimant		(02) Type of Claim		Fiscal Year		
		Reimbursement <input type="checkbox"/>				
		Estimated <input type="checkbox"/>		20__/20__		
<b>Method 4</b> This method requires the school district to have data on the number of ballots and absentee ballots filed.						
(03) (a) Number of ballots cast from 01/01/75 through 12/30/78						
(b) Number of absentee ballots cast from 01/01/75 through 12/30/78						
(c) Number of ballots cast in the fiscal year of claim						
(d) Number of absentee ballots cast in the fiscal year of claim						
<b>Direct Costs</b>		<b>Object Accounts</b>				
(04) Total Cost of Absentee Ballots in the Fiscal Year of Claim		(a)	(b)	(c)	(d)	(e)
		Salaries and Benefits	Services and Supplies	Travel and Training	Fixed Assets	Total
(05) Total Direct Costs						
<b>Indirect Costs</b>						
(06) Indirect Cost Rate		[Federally approved OMB A-21, FAM-29C, or 7%]				%
(07) Total Indirect Costs		[Line (06) x line (05)(a)]				
(08) Total Cost of Absentee Ballots in the Fiscal Year of Claim		[Line (05)(e) + line (07)]				
(09) Number of Reimbursable Absentee Ballots Filed		[Line (03)(d) - {line (03)(b) x line (03)(c) ÷ line (03)(a)}]				
(10) Amount Billed by the County (attach billing statement)						
(11) Increased Costs		[Line (10) x {line (09) ÷ line (03)(d)}]				
<b>Cost Reduction</b>						
(12) Less: Offsetting Savings						
(13) Less: Other Reimbursements						
(14) Total Claimed Amount		[Line (11) - {line (12) + line (13)}]				

<b>Program</b> <b>231</b>	<b>ABSENTEE BALLOTS</b> <b>CLAIM SUMMARY</b> <b>Instructions</b>	<b>FORM</b> <b>AB-1</b>
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- (01) Enter the name of the claimant.
- (02) Type of Claim. Check a box, Reimbursement or Estimated, to identify the type of claim being filed. Enter the fiscal year for which costs were incurred or are to be incurred.  
Form AB-1 must be filed for a reimbursement claim. Do not complete form AB-1 if you are filing an estimated claim and the estimate does not exceed the previous fiscal year's actual costs by more than 10%. Simply enter the amount of the estimated claim on form FAM-27, line (07). However, if the estimated claim exceeds the previous fiscal year's actual costs by more than 10%, form AB-1 must be completed and a statement attached explaining the increased costs. Without this information the estimated claim will automatically be reduced to 110% of the previous fiscal year's actual costs.
- (03) (a) Enter the number of ballots cast from January 1, 1975, through December 30, 1978.  
(b) Enter the number of absentee ballots cast from January 1, 1975, through December 30, 1978.  
(c) Enter the number of ballots cast in the fiscal year of claim.  
(d) Enter the number of absentee ballots cast in the fiscal year of claim.
- (04) Enter the total costs from form AB-2, line (05), columns (d), through (g) to form AB-1, block (04), columns (a), through (d) in the appropriate row. Total the row.
- (05) Enter the total for each row.
- (06) Community college districts may use the federally approved OMBA-21 rate, the rate computed using form FAM 29C, or a 7% indirect cost rate, for the fiscal year of costs.
- (07) Enter the result of multiplying Total Direct Costs, line (05)(e), by the Indirect Cost Rate, line (06).
- (08) Enter the sum of Total Direct Costs, line (05)(e), and Total Indirect Costs, line (07).
- (09) To determine the number of additional absentee ballot filings that are reimbursable, multiply the number of absentee ballots cast from 01/01/75 to 12/30/78, line (03)(b), by the number of ballots cast in the fiscal year of claim, line (03)(c). Divide that product by the number of ballots cast from 01/01/75 to 12/30/78, line (03)(a). Subtract the quotient from the number of ballots cast in the fiscal year of claim, line (03)(d). Enter the difference as the number of additional ballot filings.
- (10) Enter the amount that was billed to the community college district by the county.
- (11) Enter the product of multiplying line (10) by the quotient from dividing line (09) by line (03)(d).
- (12) If applicable, enter the total savings experienced by the claimant as a direct result of this mandate. Submit a detailed schedule of savings with the claim.
- (13) If applicable, enter the amount of other reimbursements received from any source including, but not limited to, service fees collected, federal funds, and other state funds, which reimbursed any portion of the mandated cost program. Submit a schedule detailing the reimbursement sources and amounts.
- (14) Subtract the sum of Offsetting Savings, line (12), and Other Reimbursements, line (13), from Increased Costs, line (11). Enter the remainder on this line and carry the amount forward to form FAM-27, line (07) for the Estimated Claim or line (13) for the Reimbursement Claim.

<b>Program</b> <b>231</b>	<b>MANDATED COSTS</b> <b>ABSENTEE BALLOTS</b> <b>COMPONENT/ACTIVITY COST DETAIL</b>					<b>FORM</b> <b>AB-2</b>
(01) Claimant			(02) Fiscal Year Costs Were Incurred			
(03) Reimbursable Component: Total Cost of Absentee Ballots in the Fiscal Year of Claim						
(04) Description of Expenses: Complete columns (a) through (g).			<b>Object Accounts</b>			
(a) Employee Names, Job Classifications, Functions Performed, and Description of Expenses	(b) Hourly Rate or Unit Cost	(c) Hours Worked or Quantity	(d) Salaries and Benefits	(e) Services and Supplies	(f) Travel and Training	(g) Fixed Assets
(05) Total <input type="text"/> Subtotal <input type="text"/> Page: ____ of ____						



<b>Program</b> <b>231</b>	<b>ABSENTEE BALLOTS</b> <b>COMPONENT/ACTIVITY COST DETAIL</b> <b>Instructions</b>	<b>FORM</b> <b>AB-2</b>
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- (01) Enter the name of the claimant.
- (02) Enter the fiscal year for which costs were incurred.
- (03) Reimbursable Components. Check the box which indicates the cost component being claimed. Check only one box per form. A separate form AB-2 shall be prepared for each applicable component.
- (04) Description of Expenses. The following table identifies the type of information required to support reimbursable costs. To detail costs for the component activity box "checked" in block (03), enter the employee names, position titles, a brief description of the activities performed, actual time spent by each employee, productive hourly rates, fringe benefits, supplies used, contract services, etc. Contract services are reimbursable to the extent that the activities performed require special skill or knowledge that are not readily available from the claimant's staff. If a piece of equipment acquired for the Absentee Ballots program is also utilized for other programs, only a prorated cost of the equipment is reimbursable. **The descriptions required in column (4)(a) must be of sufficient detail to explain the cost of activities or items being claimed.** For audit purposes, all supporting documents must be retained by the claimant for a period of not less than three years after the date the claim was filed or last amended, whichever is later. If no funds were appropriated and no payment was made at the time the claim was filed, the time for the Controller to initiate an audit shall be three years from the date of initial payment of the claim. Such documents shall be made available to the State Controller's Office on request.

Object/ Sub object Accounts	Columns							Submit supporting documents with the claim
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	
<b>Salaries and Benefits</b>	Salaries	Employee Name/Title	Hourly Rate	Hours Worked	Salaries = Hourly Rate x Hours Worked			
	Benefits	Activities Performed	Benefit Rate		Benefits = Benefit Rate x Salaries			
<b>Services and Supplies</b>	Supplies	Description of Supplies Used	Unit Cost	Quantity Used	Cost = Unit Cost x Quantity Used			
	Contract Services	Name of Contractor Specific Tasks Performed	Hourly Rate	Hours Worked Inclusive Dates of Service	Cost= Hourly Rate x Hours Worked or Total Contract			Copy of Contract and Invoices
<b>Travel and Training</b>	Travel	Purpose of Trip Name and Title Departure and Return Date	Per Diem Rate Mileage Rate Travel Cost	Days Miles Travel Mode		Cost = Rate x Days or Miles or Total Travel Cost		
	Training	Employee Name/Title Name of Class		Dates Attended		Registration Fee		
<b>Fixed Assets</b>		Description of Equipment Purchased		Unit Cost			Cost= Unit Cost x Usage	

- (05) Total line (04), columns (d) through (g) and enter the sum on this line. Check the appropriate box to indicate if the amount is a total or subtotal. If more than one form is needed to detail the component/activity costs, number each page. Enter totals from line (05), columns (d) through (g) to form AB-1, block (04), columns (a) through (d) in the appropriate row.

## Collective Bargaining

### 1. Summary of Chapters 961/75 and 1213/91

The Rodda Act repealed Education Code Article 5 (commencing with § 13080), of Chapter 1 of Division 10 and added Chapter 10.7 (commencing with § 3540) to Division 4 of Title 1 of the Government Code, relating to public educational employment relations.

The Rodda Act, which became operative July 1, 1976, repealed the Winton Act and enacted provisions requiring the employer and employee to meet and negotiate, thereby creating a collective bargaining atmosphere for public school employers. It also established the Public Employment Relations Board (PERB). PERB is responsible for issuing formal interpretations and rulings regarding collective bargaining under the Rodda Act.

Government Code Section 3547.5 as added by Chapter 1213, Statutes of 1991, requires school districts to publicly disclose major provisions of a collective bargaining agreement after negotiations but before the agreement becomes binding.

On July 17, 1978, the Commission on State Mandates (COSM), (formerly Board of Control) determined that Chapter 961, Statutes of 1975, resulted in state mandated costs that are reimbursable pursuant to Part 7 (commencing with Government Code § 17500) of Division 4 of Title 2.

On August 20, 1998, COSM determined that Chapter 1213, Statutes of 1991, resulted in state mandated costs that are reimbursable pursuant to Part 7 (commencing with Government Code § 17500) of Division 4 of Title 2.

### 2. Eligible Claimants

Any school district (K-12), county office of education, or community college district that incurs increased costs as a direct result of this mandate is eligible to claim reimbursement of these costs.

### 3. Appropriations

These claiming instructions are issued following the adoption of the amended parameters and guidelines by COSM. To determine if this program is funded in subsequent fiscal years, refer to the schedule "Appropriation for State Mandated Cost Programs" in the *Annual Claiming Instructions for State Mandated Costs* issued in October of each year to county superintendents of schools and superintendents of schools.

### 4. Types of Claims

#### A. Reimbursement and Estimated Claims

A claimant may file a reimbursement and/or an estimated claim. A reimbursement claim details the costs actually incurred for a prior year. An estimated claim shows the costs to be incurred for the current fiscal year.

#### B. Minimum Claim

Section 17564(a) of the Government Code provides that no claim shall be filed pursuant to Section 17561 unless such a claim exceeds \$200 per program per fiscal year. However, any county superintendent of schools, as fiscal agent for the school districts, may submit a combined claim in excess of \$200 on behalf of districts within the county even if an individual district's claim does not exceed \$200. A combined claim must show the individual claim costs for each district. Once a combined claim is filed, all subsequent fiscal years relating to the same mandate must be filed in a combined form. The county superintendent receives the reimbursement payment and is responsible for disbursing funds to each participating school district. A school district may

withdraw from the combined claim form by providing a written notice of its intent to file a separate claim to the county superintendent of schools and the State Controller's Office at least 180 days prior to the deadline for filing the claim.

## 5. Filing Deadline

- A. Initial Claims-** -County offices of education and school districts that submitted 1998-99 fiscal year claims for professional and consultant services at the \$100 per hour rate may amend their claims to be reimbursed at the \$135 per hour rate.

Pursuant to Government Code Section 17561, Subdivision (d)(1)(A), initial claims must be filed within 120 days from the issuance date of claiming instructions. Accordingly:

- (1) Amended reimbursement claims for the 1998-99 fiscal year must be filed with the State Controller's Office and postmarked by August 3, 2000. If the amended reimbursement claim is filed after the deadline of August 3, 2000, the approved amount of the difference between the \$100 and \$135 rate change must be reduced by a late penalty of 10%, not to exceed \$1,000. Claims filed more than one year after the deadline will not be accepted.
- (2) An amended 1999-00 estimated claim for professional and consultant services at the \$135 per hour rate may be filed with the State Controller's Office and postmarked by August 3, 2000. Timely filed amended estimated claims will be paid before late claims.

## B. Annually Thereafter

Refer to the item "Reimbursable State Mandated Cost Programs" contained in the cover letter for mandated cost programs issued annually in October that identifies the fiscal years for which claims may be filed. If an "x" is shown for the program listed under "19\_\_/19\_\_ Reimbursement Claim" and/or "19\_\_/20\_\_ Estimated Claim," claims may be filed as follows:

- (1) An estimated claim filed with the State Controller's Office must be postmarked by January 15 of the fiscal year in which costs will be incurred. Timely filed estimated claims will be paid before late claims.

After having received payment for an estimated claim, the claimant must file a reimbursement claim by January 15 of the following fiscal year. If the school district fails to file a reimbursement claim, monies received for the estimated claim must be returned to the State. If no estimated claim was filed, the school district may file a reimbursement claim detailing the actual costs incurred for the fiscal year, provided there was an appropriation for the program for that fiscal year. For information regarding appropriations for reimbursement claims, refer to the "Appropriation for State Mandated Cost Programs" in the previous fiscal year's annual claiming instructions.

- (2) A reimbursement claim detailing the actual costs must be filed with the State Controller's Office and postmarked by January 15 following the fiscal year in which costs will be incurred. If the claim is filed after the deadline but by January 15 of the succeeding fiscal year, the approved claim must be reduced by a late penalty of 10%, not to exceed \$1,000. Claims filed more than one year after the deadline will not be accepted.

## 6. Reimbursable Activities

The objective of the reporting forms is to determine the Rodda Act costs incurred during the current year and compare them with the adjusted costs incurred in the base year under the Winton Act. The first three claim components listed below apply to both the Winton Act and Rodda Act. Components D through F, which apply to the Rodda Act, represent activities that were not required under the Winton Act.

**A. Determining Bargaining Units and Exclusive Representation**

The cost of determining appropriate bargaining units, exclusive representation and representatives are reimbursable. Activities determined to be eligible reimbursements for this component are as follows:

**(1) Bargaining Unit Lists**

Development of proposed lists for the bargaining unit determination hearings.

(a) Contract services necessary for development of proposed lists.

(b) Salaries and benefits of district employees and related costs necessary to develop proposed lists.

**(2) PERB Hearings**

Representation costs for the school employer at PERB hearings held to determine the bargaining units and their exclusive representative.

(a) Salaries and benefits of district employees used to prepare for and represent employer at hearings.

(b) Contract services used to prepare for and represent the employer at hearings.

**(3) Substitutes**

The cost of hiring substitutes to replace the employer and exclusive bargaining unit witnesses required testifying at PERB hearings. The claimant must include with the claim, a list of teacher witnesses, their job classifications, and the date they were required to testify.

The cost of substitute release time for employee witnesses asked to attend PERB hearings by bargaining units, but not required to testify, is not eligible for reimbursement in this component.

**(4) Travel**

Travel Expenses incurred by district employer representatives required to attend PERB hearings. Reimbursement shall reflect the rate specified by the regulations governing employees of the local school district. However, the reimbursement cannot exceed the rate adopted by the Board of Control for state employees.

**(5) Transcript**

The cost of preparing one transcript per PERB hearing is reimbursable.

**B. Election of Unit Representation**

The cost of elections and decertification elections of unit representatives is reimbursable in the event PERB determines that a question of representation exists and orders an election held by secret ballot. The claimant must include with the claim, any PERB agreements or orders that state how the election must be held.

Activities eligible for reimbursement for this component are as follows:

**(1) Precinct Voting List**

The salaries, benefits, and related cost of developing and preparing a precinct list, if required by PERB.

**(2) Ballot Tally Observers**

The salary and benefits of a school employer representative, if required by PERB to observe the ballot count.

**C. Cost of Negotiations**

Costs associated with receipt of the exclusive representative's initial contract proposal, holding public hearings, providing a reasonable number of copies of the employer's contract proposal to the public, development and presentation of the initial district contract proposal, negotiation of the contract, reproduction and distribution of the final contract agreement. The claimant must include with the claim, a listing of the dates of all negotiation sessions held during the fiscal year of claim.

Activities determined to be eligible for reimbursement of this component are as follows:

(1) Representative's Contract Proposal

The employer's cost of analyzing the exclusive representative's initial contract proposal.

- (a) Salaries and benefits for public school employer representatives and supporting personnel participating in planning sessions and related contract services.

(2) Public Hearings

The cost of holding public hearings related to the contract negotiations.

(3) Public Distribution of Proposed Contract

The cost of providing a reasonable number of copies of the district's proposed contract to the public.

- (a) Reproduction of copies of the initial contract proposal for the district's supervisory, management, and confidential representatives are reimbursable.

- (b) A reasonable number of copies of the initial contract for distribution to the public is reimbursable.

(4) District Contract Proposal

The cost of employer salaries and benefits necessary for development and presentation of the initial district proposal and related contract services.

(5) Negotiation

The cost of negotiating a contract with the employee representatives.

- (a) Salaries and benefits for district employer representatives participating in negotiations and related contract services. Reimbursable costs for a maximum of five school district representatives per unit per negotiating session will be reimbursed.

- (b) Substitutes hired so that exclusive bargaining unit representatives can attend negotiations. List the job classification of the bargaining unit representative who required a substitute. List the dates and time the substitute worked. Substitute costs for a maximum of five representatives per unit negotiating per session are reimbursable.

(6) Public Distribution of Final Contract

The cost of reproduction of the contract and distribution of the final contract agreement.

- (a) Reproduction of copies of the initial contract for distribution to the district's supervisory, management, and confidential employee representatives.

- (b) A reasonable number of copies of the final contract for purposes of public information.

**The following costs are not eligible for reimbursement of this component:**

- (c) The cost of copies of the final contract provided to the collective bargaining unit members.

- (d) The salaries of union representatives.

**D. Impasse Proceedings**

The cost of impasse proceedings is reimbursable. Activities determined to be reimbursable for this component are as follows:

(1) Mediation

Representation costs for the school employer at mediation sessions are reimbursable.

(a) Salaries and benefits for district employees to prepare and represent the employer at the sessions. Cost for a maximum of five public school employer representatives per mediation session will be reimbursed.

(b) Contract services used to prepare for and represent the employer at the sessions.

(c) The cost of substitutes hired to allow exclusive bargaining unit representatives to attend impasse proceedings. List the job classification of the employee witnesses and the dates and time of their attendance at mediation sessions. Reimbursement to a public school district employer is limited to the cost of hiring a maximum of five substitutes to replace five representatives so they can attend a mediation session.

(d) The cost of renting facilities for the sessions.

(e) The cost of the mediator is not eligible for reimbursement.

(2) Fact Finding

The cost of development and publication of the findings of the panel.

(a) All the costs of the district employer representative serving on the fact-finding panel.

(b) Fifty percent of the cost of the fact-finding panel mutually incurred by the employer representative and the employee bargaining unit representative. This may include the cost of teacher substitutes so that witnesses can attend fact-finding proceedings and the rental of facilities required to conduct the fact-finding hearing.

(c) Special costs imposed on the district for the development of unique data required by a fact-finding panel. Describe the special costs and explain why this data would not have been required by a fact-finding panel under the Winton Act.

**E. Collective Bargaining Agreement Disclosure**

Disclosure of collective bargaining agreement *after* the negotiation and *before* adoption by the governing body, as required by Government Code Section 3547.5 and California State Department of Education Management Advisory 92-01 (or subsequent replacement).

(1) Prepare the disclosure forms and documents.

(2) Distribute a copy of the disclosure forms and documents to board members with a copy of the proposed agreement.

(3) Make a copy of the disclosure forms and documents and the proposed agreement available to the public, prior to the day of the public meeting.

(4) Train employer's personnel to prepare the disclosure forms and documents.

(5) Materials and supplies necessary to prepare the disclosure forms and documents.

For items (1) through (3) above, list the date(s) of the public hearing(s) at which the major provisions of the agreement were disclosed in accordance with the requirements of Government Code Section 3547.5 and the Department of Education Advisory 92-01 (or subsequent replacement).

Procedures or formats that exceed those or duplicate activities required under any other statute or executive orders are not reimbursable under this component.

**F. Contract Administration**

The cost of contract administration and adjudication of contract disputes either by arbitration or litigation is reimbursable.

Activities determined to be reimbursable for this component are as follows:

(1) Training Sessions

Reasonable costs incurred for a reasonable number of training sessions held for supervisory and management personnel regarding contract administration and interpretation of the negotiated contract.

(2) Grievances

(a) Salaries and benefits of public school personnel involved in adjudication of contract disputes along with related contract services.

(b) Substitutes hired so that representative of an exclusive bargaining unit can attend adjudication hearings regarding contract disputes. List the job classifications of the employee witnesses and the dates and time they were required to attend adjudication hearings.

(c) The cost of one transcript per hearing is reimbursable.

(3) Contract Disputes Presented Before PERB

(a) Public school employer costs regarding contract disputes that are presented before PERB.

(b) Litigation costs incurred by a public school employer as a defendant in a court suit involving contract disputes may be reimbursable. (See (4) "Appeal of PERB Ruling," below, if claimant is the plaintiff).

(c) Expert witness fees if the witness is called by the public school employer.

(d) Reasonable reproduction costs for copies of a new contract that is required as a result of a dispute.

(e) A public school employer's portion of an arbitrator's fees (50% of costs) for adjudicating grievances.

(4) Appeal of PERB Ruling

Reasonable claimant costs associated with a contract dispute are reimbursable when the claimant is the plaintiff in a court suit to appeal a PERB ruling and the claimant is the prevailing party.

(a) The costs incurred become eligible for reimbursement in the fiscal year in which the appeal process has been exhausted.

(b) The claimant must include with the claim a copy of the court's ruling.

(c) If the claim includes costs associated with more than one appeal, the costs associated with each appeal must be shown separately.

No reimbursement is allowed where the public school employer has filed action directly with the courts without first submitting the dispute to PERB, if required.

No reimbursement shall be provided for filing of a brief with the court by a person who is not party to a litigation (i.e., amicus curiae).

**The following costs are not eligible for reimbursement of this component:**

(d) Contract interpretations conducted at staff meetings.

- (e) Personal development and informational programs (i.e., classes, conferences, seminars, workshops) and time spent by employees attending such meetings.
- (f) Labor/management non-adversarial training sessions
- (g) Purchase of books and subscriptions for personal development and information purposes.

#### **G. Unfair Labor Practice Charges**

The cost of unfair labor practice adjudication process and public notice complaints are reimbursable.

Activities determined to be reimbursable for this component are as follows:

##### **(1) Unfair Labor Practice Presented to PERB**

- (a) Salaries and benefits of public school district representatives and related contract services.
- (b) The cost of substitutes hired to replace representatives of an exclusive bargaining unit required to attend adjudication hearings regarding unfair labor practice charges.
- (c) The cost of a transcript for each PERB hearing.
- (d) Reasonable reproduction costs.
- (e) Expert witness fees if the witness is called by the public school district.

##### **(2) Appeal of a PERB Ruling**

Claimant costs associated with the appeal of a PERB unfair labor practice decision are reimbursable if the claimant is the prevailing party.

- (a) The costs incurred become eligible for reimbursement in the fiscal year in which the appeal process has been exhausted.
- (b) The claim must include a copy of the court's ruling.
- (c) If the claim includes costs associated with more than one appeal, the costs associated with each appeal must be shown separately.

##### **The following costs are not eligible for reimbursement of this component:**

- (d) Appeal of an unfair labor practice if PERB is the prevailing party.
- (e) The filing of a brief with the court by a person who is not party to the litigation (i.e., amicus curiae).

### **7. Reimbursement Limitations**

#### **A. Fringe Benefits**

The actual fringe benefit costs may be claimed if supported by an itemized list of the costs, such as for: Retirement, social security, health and dental insurance, workers' compensation, etc.. If no itemization is submitted, twenty one percent of direct salary may be used for computing the fringe benefit costs.

#### **B. Contract Services**

The contract services guidelines in 8.A.(3) shall prevail, except that the reimbursable fee for collective bargaining contract services will not exceed \$135 per hour. Additionally, annual retainer fees shall be based on a fee not greater than \$135 per hour. The claims that are based on annual retainers shall contain a certification that the fee is no greater than \$135 per hour. Reasonable expenses will also be paid if identified on the monthly billings of consultants. However, travel expenses for consultants and experts (including attorneys) hired by the claimant shall not be



reimbursed in an amount higher than that received by state employees as established under Title 2, Division 2, Section 700ff, California Code of Regulations.

### C. Travel Expenses

Reimbursement of business and travel expenses is limited to an amount and type of that which can be claimed by state employees. Refer to Appendix B, State of California, Travel Expense Guidelines, for current per diem rates.

### D. Other Revenue Sources

Any offsetting savings or reimbursement the claimant received from any source including, but not limited to, service fees collected, federal funds, and other state funds as a direct result of this mandate shall be identified and deducted so only net local cost is claimed.

### E. Governing Authority

Salaries and expenses of the governing authority e.g. the Board of Trustees and Superintendent of Schools, are not reimbursable as a direct cost. These are costs of general government as described by the federal guideline "Cost Principles and Procedures for Establishing Cost Allocation Plans and Indirect Cost Rates for Grants and Contracts with the Federal Government," ASMB C-10.

### F. Quantify "Increased" Costs

Determination of increased costs for each of these components requires the cost of current year Rodda Act activities to be offset (reduced) by the cost of the base year Winton Act activities. The Winton Act base year is generally fiscal year 1974-75.

Winton Act base year costs are adjusted by the Implicit Price Deflator (IPD) prior to offset against the current year Rodda Act costs for claim components, 6.A., 6.B., and 6.C. The IPD shall be listed in the annual claiming instructions.

Base Year	Adjustment	
1974-75	1.490	1979-80 FY
1974-75	1.560	1980-81 FY
1974-75	1.697	1981-82 FY
1974-75	1.777	1982-83 FY

The cost of a claimant's current year Rodda Act activities are offset (reduced) by the cost of the base year Winton Act activities either by matching each component when claimants can provide sufficient documentation to segregate each component of the Winton Act base year activity costs or, by combining all three components when claimant cannot satisfactorily segregate each component of the Winton Act base year costs.

All allowable activity costs for Rodda Act components, 6.D., 6.E., 6.F., and 6.G., are increased costs since there were no similar activities required by the Winton Act; therefore no Winton Act base year offset is to be calculated.

## 8. Claiming Forms and Instructions

The diagram "Illustration of Claim Forms" provides a graphic presentation of forms required to be filed with a claim. A claimant may submit a computer generated report in substitution for forms CB-1 and CB-2 provided the format of the report and data fields contained within the report are identical to the claim forms included in this program. The claim forms provided for this program can be duplicated

and used by the claimant to file estimated or reimbursement claims. The State Controller's Office will revise the manual and claim forms as necessary.

#### **A. Form CB-2, Component/Activity Cost Detail**

This form is used to segregate the detailed costs by claim component. A separate form CB-2 must be completed for each cost component being claimed. Costs reported on this form must be supported as follows:

##### **(1) Salaries and Benefits**

Identify the employee(s) and/or show the classification of each employee(s) involved. Describe the mandated functions performed by each employee and specify the actual time spent, the productive hourly rate, and related fringe benefits.

Reimbursement of personnel services includes compensation paid for salaries, wages, and employee fringe benefits. Employee fringe benefits include regular compensation paid to an employee during periods of authorized absences (e.g. annual leave, sick leave) and the employer's contribution to social security, pension plans, insurance, and workers' compensation insurance. Fringe benefits are eligible for reimbursement when distributed equitably to all job activities that the employee performs.

Source documents required to be maintained by the claimant may include, but are not limited to, employee time records that show the employee's actual time spent on this mandate. The worksheet used to compute the hourly salary rate must be submitted with your claim. Actual benefit percent must be itemized. If no itemization is submitted, twenty one percent (21%) must be used for computation of claim costs. Identify the classification of employees committed to functions required under the Winton Act and those required by Chapter 961, Statutes of 1975.

##### **(2) Materials and Supplies**

Only expenditures that can be identified as a direct result of this mandate may be claimed. List the cost of materials consumed or expended specifically for the purpose of this mandate. The cost of materials and supplies that are not used exclusively for the mandate is limited to the pro rata portion used to comply with this mandate. Purchases shall be claimed at the actual price after deducting cash discounts, rebates, and allowances received by the claimant. Supplies that are withdrawn from inventory shall be charged based on a recognized method of costing, consistently applied.

Source documents required to be maintained by the claimant may include, but are not limited to, invoices, receipts, purchase orders, and other documents evidencing the validity of the expenditures.

##### **(3) Contract Services**

Show the name(s) of professionals or consultants separately, specify the functions performed relative to the mandate, length of appointment, and the itemized costs of such services. Invoices must be submitted as supporting documentation with the claim. The maximum reimbursable fee for contract services is \$135 per hour. Annual retainer fees shall be no greater than \$135 per hour. Reasonable expenses will also be paid as identified on the monthly billings of consultants.

Source documents required to be maintained by the claimant may include, but are not limited to, contracts, invoices, and other documents evidencing the validity of the expenditures.

##### **(4) Travel**

Travel expenses for mileage, per diem, lodging, and other employee entitlements are reimbursable in accordance with the rules of the local jurisdiction. Give the name(s) of the traveler(s), purpose of travel, inclusive dates, destination points, and costs.

Source documents may include, but are not limited to, employee travel expense claims, receipts and other documents evidencing the travel expenses.

For audit purposes all supporting documents must be retained for a period of two years after the end of the calendar year in which the reimbursement claim was filed or last amended, whichever is later. Such documents shall be made available to the State Controller's Office on request.

**B. Form CB-1, Claim Summary**

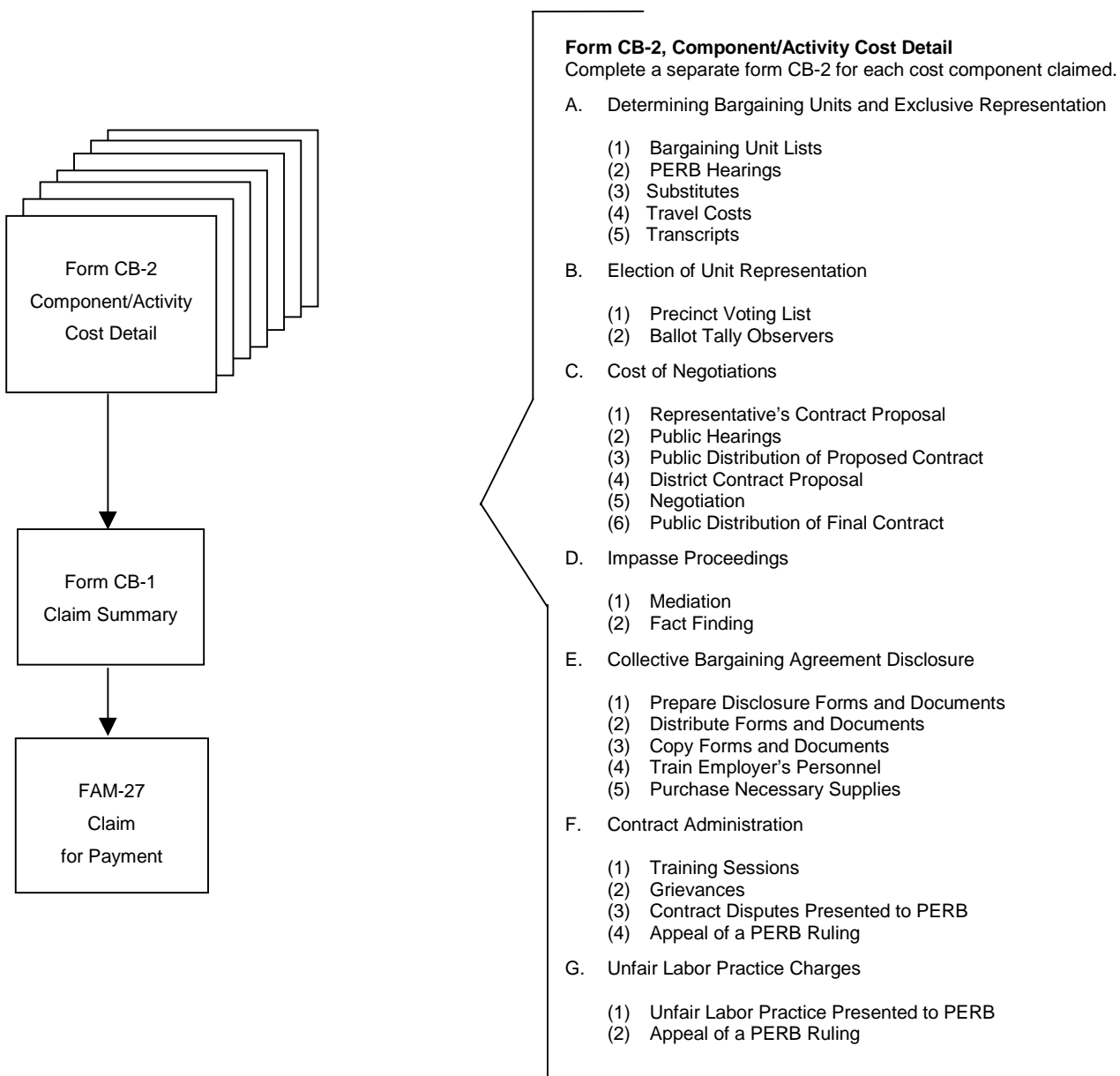
This form is used to summarize direct costs by cost component and compute allowable indirect costs for the mandate. The direct costs summarized on this form are derived from form CB-2 and carried forward to form FAM-27.

School districts and county offices of education may compute the amount of indirect costs utilizing the State Department of Education's Annual Program Cost Data Report J-380 or J-580 rate, as applicable. Community college districts must use one of the following three alternatives: A federally approved rate based on OMB Circular A-21; the State Controller's FAM-29C that utilizes CCFS-311.

**C. Form FAM-27, Claim for Payment**

This form contains a certification that must be signed by an authorized officer of the school district. All applicable information from form CB-1 must be carried forward to this form in order for the State Controller's Office to process the claim for payment.

## Illustration of Forms



<b>CLAIM FOR PAYMENT</b> <b>Pursuant to Government Code Section 17561</b> <b>COLLECTIVE BARGAINING</b>			<b>For State Controller Use Only</b>		<b>Program</b> <span style="font-size: 2em; font-weight: bold;">232</span>	
(01) Claimant Identification Number			(19) Program Number 00232			
(02) Claimant Name			(20) Date Filed ____/____/____			
County of Location			(21) LRS Input ____/____/____			
Street Address or P.O. Box			(22) CB-1, (03)(1)(e)			
Suite			(23) CB-1, (03)(2)(e)			
City			(24) CB-1, (03)(3)(e)			
State			(25) CB-1, (03)(4)(e)			
Zip Code			(26) CB-1, (03)(5)(e)			
Type of Claim			(27) CB-1, (03)(6)(e)			
(03) Estimated <input type="checkbox"/>			(28) CB-1, (03)(7)(e)			
(04) Combined <input type="checkbox"/>			(29) CB-1, (04)(d)			
(05) Amended <input type="checkbox"/>			(30) CB-1, (04)(e)			
Fiscal Year of Cost			(31) CB-1, (05)(e)			
(06) 20____/20____			(32) CB-1, (07)			
Total Claimed Amount			(33) CB-1, (11)			
(07)			(34) CB-1, (12)			
Less: 10% Late Penalty, not to exceed \$1,000			(35) CB-1, (14)			
(14)			(36) CB-1, (15)			
Less: Prior Claim Payment Received			(15)			
(15)			(16)			
Net Claimed Amount			(17)			
(16)			(18)			
Due from State			(08)			
(08)			(17)			
Due to State			(18)			
(18)			(37) CERTIFICATION OF CLAIM			
<p>In accordance with the provisions of Government Code Section 17561, I certify that I am the officer authorized by the community college district to file mandated cost claims with the State of California for this program, and certify under penalty of perjury that I have not violated any of the provisions of Government Code Sections 1090 to 1098, inclusive.</p> <p>I further certify that there was no application other than from the claimant, nor any grant or payment received, for reimbursement of costs claimed herein, and such costs are for a new program or increased level of services of an existing program. All offsetting savings and reimbursements set forth in the Parameters and Guidelines are identified, and all costs claimed are supported by source documentation currently maintained by the claimant.</p> <p>The amounts for this Estimated Claim and/or Reimbursement Claim are hereby claimed from the State for payment of estimated and/or actual costs set forth on the attached statements. I certify under penalty of perjury under the laws of the State of California that the foregoing is true and correct.</p>						
Signature of Authorized Officer			Date			
Type or Print Name			Title			
(38) Name of Contact Person for Claim			Telephone Number ( ) - Ext.			
E-Mail Address						

<b>Program</b> <b>232</b>	<b>COLLECTIVE BARGAINING</b> <b>Certification Claim Form</b> <b>Instructions</b>	<b>FORM</b> <b>FAM-27</b>
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- (01) Enter the payee number assigned by the State Controller's Office.
- (02) Enter your Official Name, County of Location, Street or P. O. Box address, City, State, and Zip Code.
- (03) If filing an estimated claim, enter an "X" in the box on line (03) Estimated.
- (04) If filing a combined estimated claim on behalf of districts within the county, enter an "X" in the box on line (04) Combined.
- (05) If filing an amended estimated claim, enter an "X" in the box on line (05) Amended. Leave boxes (03) and (04) blank.
- (06) Enter the fiscal year in which costs are to be incurred.
- (07) Enter the amount of the estimated claim. If the estimate exceeds the previous year's actual costs by more than 10%, complete form CB-1 and enter the amount from line (16).
- (08) Enter the same amount as shown on line (07).
- (09) If filing a reimbursement claim, enter an "X" in the box on line (09) Reimbursement.
- (10) If filing a combined reimbursement claim on behalf of districts within the county, enter an "X" in the box on line (10) Combined.
- (11) If filing an amended reimbursement claim, enter an "X" in the box on line (11) Amended.
- (12) Enter the fiscal year for which actual costs are being claimed. If actual costs for more than one fiscal year are being claimed, complete a separate form FAM-27 for each fiscal year.
- (13) Enter the amount of the reimbursement claim from form CB-1, line (16). The total claimed amount must be a minimum of \$1,000.
- (14) Reimbursement claims must be filed by January 15 of the following fiscal year in which costs are incurred or the claims shall be reduced by a late penalty. Enter zero if the claim was timely filed, otherwise, enter the product of multiplying line (13) by the factor 0.10 (10% penalty), or \$1,000, whichever is less.
- (15) If filing an actual reimbursement claim and an estimated claim was previously filed for the same fiscal year, enter the amount received for the claim. Otherwise, enter a zero.
- (16) Enter the result of subtracting line (14) and line (15) from line (13).
- (17) If line (16), Net Claimed Amount, is positive, enter that amount on line (17), Due from State.
- (18) If line (16), Net Claimed Amount, is negative, enter that amount on line (18), Due to State.
- (19) to (21) Leave blank.
- (22) to (36) Reimbursement Claim Data. Bring forward the cost information as specified on the left-hand column of lines (22) through (36) for the reimbursement claim, e.g., CB-1, (03)(01)(e), means the information is located on form CB-1, block (03), line (1), column (e). Enter the information on the same line but in the right-hand column. Cost information should be rounded to the nearest dollar, i.e., no cents. Indirect costs percentage should be shown as a whole number and without the percent symbol, i.e., 35.19% should be shown as 35. **Completion of this data block will expedite the payment process.**
- (37) Read the statement "Certification of Claim." If it is true, the claim must be dated, signed by the agency's authorized officer, and must include the person's name and title, typed or printed. **Claims cannot be paid unless accompanied by an original signed certification. (To expedite the payment process, please sign the form FAM-27 with blue ink, and attach a copy of the form FAM-27 to the top of the claim package.)**
- (38) Enter the name, telephone number, and e-mail address of the person to contact if additional information is required.

Claims should be rounded to the nearest dollar. Submit a signed original and a copy of form FAM-27, Claim for Payment, and all other forms and supporting documents. **(To expedite the payment process, please sign the form in blue ink, and attach a copy of the form FAM-27 to the top of the claim package.)** Use the following mailing addresses:

**Address, if delivered by U.S. Postal Service:**

**OFFICE OF THE STATE CONTROLLER  
 ATTN: Local Reimbursements Section  
 Division of Accounting and Reporting  
 P.O. Box 942850  
 Sacramento, CA 94250**

**Address, if delivered by other delivery service:**

**OFFICE OF THE STATE CONTROLLER  
 ATTN: Local Reimbursements Section  
 Division of Accounting and Reporting  
 3301 C Street, Suite 500  
 Sacramento, CA 95816**

<b>Program</b> <b>232</b>	<b>MANDATED COSTS</b> <b>COLLECTIVE BARGAINING</b> <b>CLAIM SUMMARY</b>				<b>FORM</b> <b>CB-1</b>
(01) Claimant			(02) Type of Claim		Fiscal Year
			Reimbursement <input type="checkbox"/>		
			Estimated <input type="checkbox"/>		20__/20__
<b>Rodda Act Direct Costs</b>		<b>Cost Elements</b>			
(03) Reimbursable Components	(a) Salaries and Benefits	(b) Materials and Supplies	(c) Travel and Training	(d) Contract Services	(e) Total
1. Determining Bargaining Units and Exclusive Representation					
2. Election of Unit Representation					
3. Cost of Negotiations					
4. Impasse Proceedings					
5. Collective Bargaining Agreement Disclosure					
6. Contract Administration					
7. Unfair Labor Practice Charges					
(04) Total Rodda Act Direct Costs					
<b>Winton Act Direct Costs</b>					
(05) Base Year, 1974-75 Direct Costs					
(06) Base Year Direct Costs Adjusted by IPD			[Line (05)(e) x 3.291 for 2002-03 F.Y.]		
(07) Increased Direct Costs			[Line (04)(e) – line (06)]		
<b>Indirect Costs</b>					
(08) Total Rodda Act Direct Costs less Contract Services			[Line (04)(e) – line (04)(d)]		
(09) Base Year Costs less Contract Services adjusted by IPD			[{Line (05)(e) - line (05)(d)} x 3.291]		
(10) Increased Direct Costs less Contract Services			[Line (08) - line (09)]		
(11) Indirect Cost Rate			[Federally approved OMB A-21, FAM-29C, or 7%]		%
(12) Increased Indirect Costs			[Line (10) x line (11)]		
(13) Total Increased Direct and Indirect Costs			[Line (07) + line (12)]		
<b>Cost Reduction</b>					
(14) Less: Offsetting Savings					
(15) Less: Other Reimbursements					
(16) Total Claimed Amount			[Line (13) – {line (14) + line (15)}]		

<b>Program</b> <b>232</b>	<b>COLLECTIVE BARGAINING</b> <b>CLAIM SUMMARY</b> <b>Instructions</b>	<b>FORM</b> <b>CB-1</b>
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- (01) Enter the name of the claimant.
- (02) Type of Claim. Check a box, Reimbursement or Estimated, to identify the type of claim being filed. Enter the fiscal year for which costs were incurred or are to be incurred.
- Form CB-1 must be filed for a reimbursement claim. Do not complete form CB-1 if you are filing an estimated claim and the estimate does not exceed the previous fiscal year's actual costs by more than 10%. Simply enter the amount of the estimated claim on form FAM-27, line (07). However, if the estimated claim exceeds the previous fiscal year's actual costs by more than 10%, form CB-1 must be completed and a statement attached explaining the increased costs. Without this information the estimated claim will automatically be reduced to 110% of the previous fiscal year's actual costs.
- (03) For each of the reimbursable components, enter the total allowable cost from form CB-2, line (05), columns (d) through (g) onto form CB-1, block (03), lines (1) through (7), columns (a) through (d). Total each line and enter in column (e).
- (04) Add columns (03)(d) and (e) for Cost Elements, and enter the totals on this line.
- (05) Method A. Enter the 1974-75 Winton Act (base year) costs on line (05)(e). Enter on line (05)(d) any contract service costs included in line (05)(e).
- Method B. Enter the amount from form CB-1.1, line (04)(b) onto line (05)(e). Enter on line (05)(d) any contract service costs included in line (05)(e).
- (06) Method A. Multiply the base year cost on line (05)(e) by the implicit price deflator (IPD). The 2002-03 IPD is 3.291.
- Method B. Enter the amount from form CB-1.1, line (04)(d).
- (07) Subtract the Base Year Direct Costs Adjusted by the IPD, line (06), from Total Rodda Act Direct Cost, line (04)(e).
- (08) Subtract Total Contract Services, line (04)(d), from Total Rodda Act Direct Costs, line (04)(e).
- (09) Subtract Base Year Contract Services, line (05)(d), from Base Year, 1974-75 Direct Costs, line (05)(e), and multiply the remainder by the IPD.
- (10) Subtract Base Year Costs less Contract Services adjusted by the IPD, line (09), from Total Rodda Act Direct Costs less Contract Services, line (08).
- (11) Community college districts may use the federally approved OMB A-21 rate, the rate computed using form FAM-29C, or the 7% indirect cost rate.
- (12) Multiply Incremental Direct Costs less Contract Services, line (10), by Indirect Cost Rate, line (11).
- (13) Enter the sum of Incremental Costs, line (07), and Incremental Indirect Costs, line (12).
- (14) Less: Offsetting Savings. If applicable, enter the total savings experienced by the claimant as a direct result of this mandate. Submit a detailed schedule of savings with the claim.
- (15) Less: Other Reimbursements. If applicable, enter the amount of other reimbursements received from any source including, but not limited to, service fees collected, federal funds, and other state funds, which reimbursed any portion of the mandated cost program. Submit a schedule detailing the reimbursement sources and amounts.
- (16) Total Claimed Amount. Subtract the sum of Offsetting Savings, line (14), and Other Reimbursements, line (15), from Total Direct and Indirect Costs, line (13). Enter the remainder on this line and carry the amount forward to form FAM-27, line (13) for the Reimbursement Claim.



PROGRAM <b>232</b>	<b>MANDATED COSTS</b>  <b>COLLECTIVE BARGAINING</b>  <b>DETERMINING WINTON ACT COSTS</b>	<b>FORM</b> <b>CB-1.1</b>
(01) Claimant	(02) Fiscal Year	20____/20____

NOTE: Beginning with the 1992-93 claims, a community college has the option of using Method A or Method B for this segment of the claim to determine increased costs due to the Rodda Act.

Method A: Community college districts have been using this method in previous fiscal years to determine increased costs. The community college district reduces the current Rodda Act costs by the total 1974-75 Winton Act (base year) cost adjusted by annual changes in the implicit price deflator. Rodda Act costs in excess of the adjusted Winton Act costs are claimable. If a community college district chooses to continue with this method, do not complete form CB-1.1.

Method B: This method is new. It may be advantageous for a community college district to use this method if the district can provide cost documentation for each 1974-75 Winton Act cost component listed below. The Rodda Act has the three similar matching cost components. Under each matched component, report only the amount of Winton Act costs adjusted by changes in the implicit price deflator for which current Rodda Act costs exist. Examples: (1) If the Rodda Act costs exceed the adjusted Winton Act costs for the component, all Winton Act costs of the component must be reported for purposes of reducing the Rodda Act costs. (2) If the adjusted Winton Act costs exceed current Rodda Act costs for the component, residual Winton Act costs do not have to be applied against current Rodda Act costs of other components. If Method B is chosen, the claimant must complete the following:

- (01) Enter the name of the claimant.
- (02) Enter the fiscal year for which costs are being filed.
- (03) Complete the following:
  - (a) Enter in column (a) the current Rodda Act costs for each of the three cost components, if any.
  - (b) Enter in column (b) the amount of the 1974-75 Winton Act costs applicable to each of the three components. The total on line (4) column (b) should be the same as shown on form CB-1, line (5)(e).
  - (c) Enter in column (c) the product of multiplying the 1974-75 Winton Act cost component in column (b) by the implicit price deflator specified for the fiscal year of the claim.
  - (d) Enter in each row, column (d), the lesser amount of column (a) or column (c). Total column (d) and forward the amount to form CB-1, line (06).

Similar Cost Components of the Rodda Act and Winton Act	(a) Current Rodda Act Costs	(b) 1974-75 Winton Act Costs Applied	(c) 1974-75 Winton Act Costs Adjusted by IPD	(d) Winton Act Costs to be Applied
1. Determination of Bargaining and Exclusive Representation	\$	\$	\$	\$
2. Election of Unit Representation				
3. Meet and Confer (Cost of Negotiations)				
4. Totals	\$	\$	\$	\$



<b>PROGRAM</b> <span style="font-size: 2em; font-weight: bold;">232</span>	<b>MANDATED COSTS</b> <b>COLLECTIVE BARGAINING</b> <b>COMPONENT/ACTIVITY COST DETAIL</b>	<b>FORM</b> <b>CB-2</b>
<div style="display: flex; justify-content: space-between;"> <div style="width: 48%;">(01) Claimant</div> <div style="width: 48%;">(02) Fiscal Year Costs Were Incurred</div> </div>		
<p>(03) Reimbursable Components: Check only <b>one</b> box per form to identify the component being claimed.</p> <div style="display: flex; flex-wrap: wrap;"> <div style="width: 50%;"> <input type="checkbox"/> Determining Bargaining Units and Exclusive Representation         </div> <div style="width: 50%;"> <input type="checkbox"/> Collective Bargaining Agreement Disclosure         </div> <div style="width: 50%;"> <input type="checkbox"/> Election of Unit Representation         </div> <div style="width: 50%;"> <input type="checkbox"/> Contract Administration         </div> <div style="width: 50%;"> <input type="checkbox"/> Cost of Negotiations         </div> <div style="width: 50%;"> <input type="checkbox"/> Unfair Labor Practice Charges         </div> <div style="width: 50%;"> <input type="checkbox"/> Impasse Proceedings         </div> </div>		
(04) Description of Expenses: Complete columns (a) through (g)		Object Accounts
(a) Employee Names, Job Classifications, Functions Performed and Description of Expenses	(b) Hourly Rate or Unit Cost	(c) Hours Worked or Quantity
		(d) Salaries and Benefits
		(e) Materials and Supplies
		(f) Travel
		(g) Contract Services
(05) Total <input type="text"/> Subtotal <input type="text"/> Page: ____ of ____		

<b>PROGRAM</b>  <b>232</b>	<b>COLLECTIVE BARGAINING</b>  <b>Component/Activity Cost Detail</b>  <b>Instructions</b>	<b>FORM</b> <b>CB-2</b>

- (01) Enter the name of the claimant.
- (02) Fiscal Year. Enter the fiscal year costs were incurred.
- (03) Reimbursable Components. Check the box that indicates the cost component being claimed. Check only one box per form. A separate form CB-2 shall be prepared for each component that applies.
- (04) Description of Expenses. The following table identifies the type of information required to support reimbursable costs. To detail costs for the component activity box "checked" in block (03), enter the employee name(s), position title(s), a brief description of the activities performed, actual time spent by each employee, productive hourly rate(s), fringe benefit(s), materials and supplies used, travel, and contract services. **The descriptions required in column (4)(a) must be of sufficient detail to explain the cost of activities or items being claimed.** For audit purposes, all supporting documents must be retained by the claimant for a period of not less than three years after the end of the calendar year in which the reimbursement claim was filed or last amended, whichever is later. Such documents shall be made available to the State Controller's Office on request.

Object/ Sub object Accounts	Columns							Submit these supporting documents with the claim
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	
<b>Salaries</b>	Employee Name	Hourly Rate	Hours Worked	Salaries = Hourly Rate x Hours Worked				
<b>Benefits</b>	Title Activities	Benefit Rate	Hours Worked	Benefits = Benefit Rate x Salaries				
<b>Materials and Supplies</b>	Description of Supplies Used	Unit Cost	Quantity Used		Cost = Unit Cost x Quantity Used			
<b>Travel</b>	Purpose of Trip Name and Title Departure and Return Date	Per Diem Rate Mileage Rate Travel Cost	Days Miles Travel Mode			Total Travel Cost = Rate x Days or Miles		
<b>Contract Services</b>	Name of Contractor Specific Tasks Performed	Hourly Rate	Hours Worked Inclusive Dates of Service				Cost = Hourly Rate x Hours Worked	

- (05) Total line (04), columns (d), (e), (f), and (g) and enter the sum on this line. Check the appropriate box to indicate if the amount is a total or subtotal. If more than one form is needed to detail the component costs, number each page. Enter totals from line (05), columns (d), (e), (f), and (g) to form CB-1, block (03), columns (a), (b), (c), and (d) in the appropriate row.

OFFICE OF THE STATE CONTROLLER  
STATE MANDATED COSTS CLAIMING INSTRUCTIONS NO. 2001-07  
HEALTH BENEFITS FOR SURVIVORS OF  
PEACE OFFICERS AND FIREFIGHTERS  
(COMMUNITY COLLEGES)

In accordance with Government Code (GC) Section 17561, eligible claimants may submit claims to the State Controller's Office (SCO) for reimbursement of costs incurred for state mandated cost programs. The following are claiming instructions and forms that eligible claimants will use for the filing of claims for Health Benefits for Survivors of Peace Officers and Firefighters (HB). These claiming instructions are issued subsequent to adoption of the program's parameters and guidelines (P's & G's) by the Commission on State Mandates (COSM).

Labor Code (LC) Section 4856 as added by Chapter 1120, Statutes of 1996, requires community college districts to provide lifelong health benefits to the survivors of peace officers and firefighters who died in the line of duty **after** September 30, 1996. Chapter 193, Statutes of 1997, requires community college districts to provide health benefits to survivors of peace officers and firefighters killed in the line of duty **before** September 30, 1996. Chapter 193, Statutes of 1997, also amended LC Section 4856 to apply these benefits retroactively.

On October 26, 2000, the COSM determined that LC Section 4856 establishes costs mandated by the State according to the provisions listed in the attached P's & G's. For your reference, the P's & G's are included as an integral part of the claiming instructions.

### **Eligible Claimants**

Any community college district, employing peace officers pursuant to Penal Code Section 830, and incurring increased costs as a direct result of this mandate is eligible to claim reimbursement of these costs.

### **Filing Deadlines**

#### **A. Initial Claims**

Initial reimbursement claims must be filed within 120 days from the issuance date of claiming instructions. If the death of the peace officer or firefighter occurred **before** 9/30/96, reimbursement claims for Chapter 193, Statutes of 1997, for the period 1/1/98 to 6/30/98 and fiscal years 1998-99 and 1999-00, must be filed with the SCO and be delivered or postmarked on or before **October 2, 2001**. If death occurred **after** 9/30/96, for Chapter 1120, Statutes of 1996, reimbursement costs for fiscal years 1997-98 through 1999-00, must be filed with the SCO and be delivered or postmarked on or before **October 2, 2001**. Estimated claims for the 2000-01 fiscal year must also be delivered or postmarked on or before **October 2, 2001**. Thereafter, having received payment for an estimated claim, the claimant must file an annual reimbursement claim by January 15 of the following fiscal year. Claims filed after the deadline will be reduced by a late penalty of 10%, not to exceed \$1,000.

Costs for all initial reimbursement claims must be filed separately according to the fiscal year in which the costs were incurred. However, the initial claims will be considered as one claim for the purpose of computing the late claim penalty. Do not prorate the penalty among fiscal years. If the claims are late, the penalty should be applied to a single fiscal year.

In order for a claim to be considered properly filed, it must include any specific supporting documentation requested in the instructions. **Claims filed more than one year after the deadline, or without the requested supporting documentation, will not be accepted.**

## **B. Estimated Claims**

Unless otherwise specified in the claiming instructions, community college districts are not required to provide cost schedules and supporting documents with an estimated claim if the estimated amount does not exceed the previous fiscal year's actual costs by more than 10%. Claimants can simply enter the estimated amount on form FAM-27, line (07). However, if the estimated claim exceeds the previous fiscal year's actual costs by more than 10%, claimants must complete supplemental claim forms to support their estimated costs as specified for the program to explain the reason for the increased costs. If no explanation supporting the higher estimate is provided with the claim, it will automatically be adjusted to 110% of the previous fiscal year's actual costs. Future estimated claims filed with the SCO must be postmarked by January 15 of the fiscal year in which costs will be incurred. Timely filed claims will be paid before late claims.

## **Minimum Claim Cost**

For initial claims and annual claims filed **on or after September 30, 2002**, if the total costs for a given year do not exceed **\$1,000**, no reimbursement shall be allowed except as otherwise allowed by GC Section 17564.

## **Reimbursement of Claims**

Initial reimbursement claims will only be reimbursed to the extent that expenditures can be supported and if such information is unavailable, claims will be reduced. In addition, ongoing reimbursement claims must be supported by documentation as evidence of the expenditures. Examples of documentation may include, but are not limited to, employee time records that identify mandate activities, payroll records, invoices, receipts, contracts, travel expense vouchers, purchase orders, and caseload statistics.

## **Audit of Costs**

All claims submitted to the SCO are reviewed to determine if costs are related to the mandate, are reasonable and not excessive, and the claim was prepared in accordance with the P's & G's adopted by the COSM. If any adjustments are made to a claim, a "Notice of Claim Adjustment," specifying the claim component adjusted, the amount adjusted, and the reason for the adjustment, will be mailed within 30 days after payment of the claim.

On-site audits will be conducted by the SCO as deemed necessary. Accordingly, all documentation to support actual costs claimed must be retained for a period of two years after the end of the calendar year in which the reimbursement claim was filed or amended regardless of the year of costs incurred. When no funds are appropriated for initial claims at the time the

claim is filed, supporting documents must be retained for two years from the date of initial payment of the claim. Claim documentation shall be made available to the SCO on request.

### **Retention of Claiming Instructions**

The claiming instructions and forms in this package should be retained permanently in your Mandated Cost Manual for future reference and use in filing claims. These forms should be duplicated to meet your filing requirements. You will be notified of updated forms or changes to claiming instructions as necessary.

For your reference, these and future mandated costs claiming instructions and forms can be found on the Internet at [www.sco.ca.gov/ard/local/locreim/index.htm](http://www.sco.ca.gov/ard/local/locreim/index.htm).

### **Address for Filing Claims**

Claims should be rounded to the nearest dollar. Submit a signed original and a copy of form FAM-27, Claim for Payment, and all other forms and supporting documents. **(To expedite the payment process, please sign the form in blue ink, and attach a copy of the form FAM-27 to the top of the claim package.)** Use the following mailing addresses:

If delivery is by  
U.S. Postal Service:

Office of the State Controller  
Attn: Local Reimbursements Section  
Division of Accounting and Reporting  
P.O. Box 942850  
Sacramento, CA 94250

If delivery is by  
other delivery services:

Office of the State Controller  
Attn: Local Reimbursements Section  
Division of Accounting and Reporting  
3301 C Street, Suite 500  
Sacramento, CA 95816

## **Parameters and Guidelines**

Labor Code Section 4856, Government Code Section 21635  
Statutes of 1996, Chapter 1120  
Statutes of 1997, Chapter 193

### *Health Benefits for Survivors of Peace Officers and Firefighters*

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#### **I. SUMMARY AND SOURCE OF THE MANDATE**

Statutes of 1996, chapter 1120 enacted Labor Code section 4856, which requires local agencies to provide lifelong health benefits to the survivors of peace officers and firefighters who die in the line of duty. Statutes of 1997, chapter 193 further amended Labor Code section 4856 by applying this benefit retroactively. Additionally, chapter 1120 amended Government Code section 21635, by deleting language exempting local agencies from collective bargaining under the Meyers-Milias-Brown Act with their employees for survivor health benefits.

On October 26, 2000, the Commission adopted its Statement of Decision that the test claim legislation constitutes a reimbursable state mandated program upon local governments within the meaning of article XIII B, section 6 of the California Constitution and Government Code section 17514.

#### **II. ELIGIBLE CLAIMANTS**

1. Providing Survivor Health Benefits (Labor Code Section 4856)  
Counties, cities, a city and county, and special districts, as defined in Government Code section 17518 that employ peace officers and firefighters, and school districts, as defined in Government Code section 17519, that employ peace officers are eligible claimants.
2. Collective Bargaining (Government Code Section 21635)  
Counties, cities, a city and county, and special districts, as defined in Government Code section 17518 are eligible claimants.

#### **III. PERIOD OF REIMBURSEMENT**

Section 17557 of the Government Code, prior to its amendment by Statutes of 1998, chapter 681, (effective September 22, 1998), stated that a test claim must be submitted on or before December 31 following a given fiscal year to establish eligibility for reimbursement for that fiscal year. The test claim for this mandate was filed on June 9, 1998.



Statutes of 1996, chapter 1120, an urgency statute, became effective September 30, 1996. It requires that local agencies provide health benefits to the survivors of peace officers and firefighters killed in the line of duty *after* September 30, 1996. And it allows collective bargaining for the continued health benefits coverage of a surviving spouse. Therefore, costs incurred for Statutes of 1996, chapter 1120, are eligible for reimbursement on or after July 1, 1997.

Statutes of 1997, chapter 193, became effective on January 1, 1998. It requires that local agencies provide health benefits to the survivors of peace officers and firefighters killed in the line of duty *before* September 30, 1996. Therefore, cost incurred for Statutes of 1997, chapter 193, are eligible for reimbursement on or after January 1, 1998.

Actual costs for one fiscal year shall be included in each claim. Estimated costs for the subsequent year may be included on the same claim, if applicable. Pursuant to section 17561, subdivision (d)(1) of the Government Code, all claims for reimbursement of initial years' costs shall be submitted within 120 days of notification by the State Controller of the issuance of claiming instructions.

If total costs for a given year do not exceed \$200, no reimbursement shall be allowed, except as otherwise allowed by Government Code section 17564.

#### **IV. REIMBURSABLE ACTIVITIES**

For each eligible claimant, all direct and indirect costs of labor, materials, supplies and services, training and travel for the performance of the following activities, are eligible for reimbursement:

##### **Component A. Providing Survivor Health Benefits (Labor Code Section 4856)**

1. Developing or updating internal policies, procedures and manuals as necessary to provide health benefits to the deceased peace officer's or firefighter's surviving spouse and eligible dependents, as required under Labor Code section 4856 (one-time activity).
2. Upon the death of a peace officer or firefighter killed in the line of duty, the ongoing costs of maintaining files, manually or electronically, related to providing health benefits to the deceased peace officer's or firefighter's surviving spouse and eligible dependents, as required under Labor Code section 4856, is reimbursable.
3. Dependent Notification
  - a. Upon the death of a peace officer or firefighter killed in the line of duty, providing a one-time notification to the surviving spouse that the local government employer must continue providing health benefits to the deceased employee's spouse and minor dependents under the same terms and conditions provided before death, or prior to the accident or injury that caused death. If there is no surviving spouse, then providing a one-time notification to the minor dependents, or guardian, that the local

government employer must continue providing health benefits until the minor dependents reach the age of 21 years.

- b. Providing a one-time notice to the minor dependents of peace officers or firefighters killed in the line of duty, when they are no longer eligible for continued health benefits under the surviving spouse's coverage. Or, if there is no surviving spouse, when the minor dependents reach the age of 21 years.
  - c. Upon remarriage of the surviving spouse, providing a one-time notice to the surviving spouse that the new spouse or stepchildren cannot be added as family members under the continued health benefits coverage of the surviving spouse.
- 4. Upon the death of a peace officer or firefighter killed in the line of duty, communicating with the insurance plan provider for the purpose of notifying the insurance plan provider of the peace officer's or firefighter's death, and coordinating with the insurance plan provider to ensure that the deceased peace officer's or firefighter's surviving spouse and eligible dependents will continue receiving health benefits under the same terms and conditions as provided before death, or prior to the accident or injury that caused death.
  - 5. Upon the death of a peace officer or firefighter killed in the line of duty, the amount of the insurance premiums paid to HMOs, or the contributions to self-insured pools, for the continued health benefits coverage to the deceased peace officer's or firefighter's surviving spouse, as required under Labor Code section 4856, is reimbursable. Eligible minor dependents are provided health benefits under the surviving spouse's coverage. If there is no surviving spouse, eligible dependents are provided health benefits until the age of 21 years. A surviving spouse's new spouse or stepchildren are ineligible for continued health benefits under the surviving spouse's coverage.

Component B. Collective Bargaining for the Continued Health Benefits Coverage of a Surviving Spouse (Government Code Section 21635)

- 1. Developing or updating internal policies, procedures and manuals as necessary to collectively bargain with local employee representatives (one-time activity).
- 2. Maintaining files manually or electronically related to collective bargaining.
- 3. The cost of up to five employer representatives and the cost of up to five employee representatives will be reimbursed for the following activities if a representative of a recognized employee organization requests that the local governmental employer meet and confer in good faith.
  - a. Reviewing the recognized employee organization's initial contract proposal.
  - b. Developing and presenting the local government employer's response to the recognized employee organization's initial contract proposal.
  - c. Participating in negotiating planning sessions in preparation of pending negotiations with the recognized employee organization's representatives.

- d. Negotiating with the recognized employee organization's representatives.
- e. Holding public hearings, pursuant to Government Code 3505.1, so that the governing board can approve the memorandum of understanding.
- f. Reproducing and distributing to employer representatives (supervisory, management, and confidential) that portion of the final contract agreement. Reproducing and distributing copies of the final contract to collective bargaining unit members are not reimbursable.

## **V. CLAIM PREPARATION AND SUBMISSION**

Claims for reimbursement must be timely filed and identify each cost element for which reimbursement is claimed under this mandate. Claimed costs must be identified to each reimbursable activity identified in Section IV of this document.

### **SUPPORTING DOCUMENTATION**

Claimed costs shall be supported by the following cost element information:

#### **A. Direct Costs**

Direct Costs are defined as costs that can be traced to specific goods, services, units, programs, activities or functions.

Claimed costs shall be supported by the following cost element information:

##### **1. Salaries and Benefits**

Identify the employee(s), and/or show the classification of the employee(s) involved. Describe the reimbursable activities performed and specify the actual time devoted to each reimbursable activity, the productive hourly rate, and related employee benefits.

Reimbursement includes compensation paid for salaries, wages, and employee benefits. Employee benefits include regular compensation paid to an employee during periods of authorized absences (e.g., annual leave, sick leave) and the employer's contributions to social security, pension plans, insurance, and workers' compensation insurance. Employee benefits are eligible for reimbursement when distributed equitably to all job activities performed by the employee.

##### **2. Materials and Supplies**

Only expenditures that can be identified as a direct cost of this mandate may be claimed. List the cost of the materials and supplies consumed specifically for the purposes of this mandate. Purchases shall be claimed at the actual price after deducting cash discounts, rebates and allowances received by the claimant. Supplies that are withdrawn from inventory shall be charged based on a recognized method of costing, consistently applied.

##### **3. Contract Services**

Contracted services for participation of employer representatives in contract negotiations and negotiation planning sessions will be reimbursed. Provide the name(s) of the

contractor(s) who performed the services, including any fixed contracts for services. Describe the reimbursable activity(ies) performed by each named contractor and give the number of actual hours spent on the activities, if applicable. Show the inclusive dates when services were performed and itemize all costs for those services. Submit contract consultant and attorney invoices with the claim.

#### 4. Travel

Travel expenses for mileage, per diem, lodging, and other employee entitlements are eligible for reimbursement in accordance with the rules of the local jurisdiction. Provide the name(s) of the traveler(s), purpose of travel, inclusive dates and times of travel, destination points and travel costs.

#### 5. Training

The cost of training an employee to perform the mandated activities is eligible for reimbursement. Identify the employee(s) by name and job classification. Provide the title and subject of the training session, the date(s) attended, and the location. Reimbursable costs may include salaries and benefits, registration fees, transportation, lodging, and per diem.

#### B. Indirect Costs

Indirect costs are defined as costs which are incurred for a common or joint purpose, benefiting more than one program and are not directly assignable to a particular department or program without efforts disproportionate to the result achieved. Indirect costs may include both (1) overhead costs of the unit performing the mandate; and (2) the costs of central government services distributed to other departments based on a systematic and rational basis through a cost allocation plan.

#### Cities, Counties, and Special Districts

Compensation for indirect costs is eligible for reimbursement utilizing the procedure provided in the OMB A-87. Claimants have the option of using 10% of direct labor, excluding fringe benefits, or preparing an Indirect Cost Rate Proposal (ICRP) if the indirect cost rate claimed exceeds 10%.

If the claimant chooses to prepare an ICRP, both the direct costs (as defined and described in OMB Circular A-87 Attachments A and B) and the indirect costs shall exclude capital expenditures and unallowable costs (as defined and described in OMB Circular A-87 Attachments A and B). However, unallowable costs must be included in the direct costs if they represent activities to which indirect costs are properly allocable.

The distribution base may be (1) total direct costs (excluding capital expenditures and other distorting items, such as pass-through funds, major subcontracts, etc.), (2) direct salaries and wages, or (3) another base which results in an equitable distribution.

In calculating an ICRP, the Claimant shall have the choice of one of the two following methodologies:

1. The allocation of allowable indirect costs (as defined and described in OMB Circular A-87 Attachments A and B) shall be accomplished by (1) classifying a department's total costs for the base period as either direct or indirect, and (2) dividing the total allowable indirect costs (net of applicable credits) by an equitable distribution base. The result of this process is an indirect cost rate which is used to distribute indirect costs to mandates. The rate should be expressed as a percentage which the total amount allowable indirect costs bears to the base selected; or
2. The allocation of allowable indirect costs (as defined and described in OMB Circular A-87 Attachments A and B) shall be accomplished by (1) separating a department into groups, such as divisions or sections, and then classifying the division's or section's total costs for the base period as either direct or indirect, and (2) dividing the total allowable indirect costs (net of applicable credits) by an equitable distribution base. The result of this process is an indirect cost rate which is used to distribute indirect costs to mandates. The rate should be expressed as a percentage which the total amount allowable indirect costs bears to the base selected.

#### School Districts

1. School districts must use the J-380 (or subsequent replacement) non-restrictive indirect cost rate provisionally approved by the California Department of Education.
2. County offices of education must use the J-580 (or subsequent replacement) non-restrictive indirect cost rate provisionally approved by the State Department of Education.
3. Community colleges have the option of using (1) a federally approved rate, utilizing the cost accounting principles from the Office of Management and Budget Circular A-21 "Cost Principles of Educational Institutions", (2) the rate calculated on State Controller's Form FAM-29C, or (3) a 7% indirect cost rate.

#### **VI. SUPPORTING DATA**

For audit purposes, all costs claimed shall be traceable to source documents (e.g., employee time records, invoices, receipts, purchase orders, contracts, worksheets, calendars, declarations, etc.) that show evidence of the validity of such costs and their relationship to the state mandated program. All documentation in support of the claimed costs shall be made available to the State Controller's Office, as may be requested, and all reimbursement claims are subject to audit during the period specified in Government Code, section 17558.5, subdivision (a).

## **VII. OFFSETTING SAVINGS AND OTHER REIMBURSEMENT**

Any offsetting savings the claimant experiences as a direct result of the subject mandate shall be deducted from the costs claimed. In addition, reimbursement for this mandate received from any source, including but not limited to, service fees collected, federal funds and other state funds shall be identified and deducted from this claim.

## **VIII. STATE CONTROLLER'S OFFICE REQUIRED CERTIFICATION**

An authorized representative of the claimant shall be required to provide a certification of the claim, as specified in the State Controller's claiming instructions, for those costs mandated by the State contained herein.

## **IX. PARAMETERS AND GUIDELINES AMENDMENTS**

Pursuant to Title 2, California Code of Regulations, section 1183.2, Parameters and Guidelines amendments filed before the deadline for initial claims as specified in the Claiming Instructions shall apply to all years eligible for reimbursement as defined in the original parameters and guidelines. A Parameters and Guidelines amendment filed after the initial claiming deadline must be submitted on or before January 15, following a fiscal year in order to establish eligibility for reimbursement for that fiscal year.

CLAIM FOR PAYMENT Pursuant to Government Code Section 17561 HEALTH BENEFITS FOR SURVIVORS OF PEACE OFFICERS AND FIREFIGHTERS			For State Controller Use Only		Program <b>233</b>
(01) Claimant Identification Number			(19) Program Number 00233		
(02) Claimant Name			(20) Date Filed ____/____/____		
County of Location			(21) LRS Input ____/____/____		
Street Address or P.O. Box Suite			(22) HB-1, (03)		
City State Zip Code			(23) HB-1, (04)(A)(1)(f)		
			(24) HB-1, (04)(B)(1)(f)		
			(25) HB-1, (04)(B)(2)(f)		
			(26) HB-1, (04)(B)(3)(f)		
			(27) HB-1, (04)(B)(4)(f)		
			(28) HB-1, (04)(B)(5)(f)		
			(29) HB-1, (06)		
			(30) HB-1, (07)		
			(31) HB-1, (09)		
			(32) HB-1, (10)		
			(33)		
			(34)		
			(35)		
			(36)		
<b>(37) CERTIFICATION OF CLAIM</b> <p>In accordance with the provisions of Government Code Section 17561, I certify that I am the officer authorized by the community college district to file mandated cost claims with the State of California for this program, and certify under penalty of perjury that I have not violated any of the provisions of Government Code Sections 1090 to 1098, inclusive.</p> <p>I further certify that there was no application other than from the claimant, nor any grant or payment received, for reimbursement of costs claimed herein, and such costs are for a new program or increased level of services of an existing program. All offsetting savings and reimbursements set forth in the Parameters and Guidelines are identified, and all costs claimed are supported by source documentation currently maintained by the claimant.</p> <p>The amounts for this Estimated Claim and/or Reimbursement Claim are hereby claimed from the State for payment of estimated and/or actual costs set forth on the attached statements. I certify under penalty of perjury under the laws of the the State of California that the foregoing is true and correct.</p> <div style="display: flex; justify-content: space-between; margin-top: 20px;"> <div style="width: 60%;"> <p>Signature of Authorized Officer</p>    <p>_____</p> </div> <div style="width: 35%;"> <p>Date</p>    <p>_____</p> </div> </div> <div style="display: flex; justify-content: space-between; margin-top: 20px;"> <div style="width: 60%;"> <p>Type or Print Name</p> <p>_____</p> </div> <div style="width: 35%;"> <p>Title</p> <p>_____</p> </div> </div>					
(38) Name of Contact Person for Claim			Telephone Number ( ) - Ext.		
			E-Mail Address		

<b>Program</b> <b>233</b>	<b>HEALTH BENEFITS FOR SURVIVORS OF PEACE OFFICERS AND FIREFIGHTERS</b> <b>Certification Claim Form</b> <b>Instructions</b>	<b>FORM</b> <b>FAM-27</b>
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- (01) Enter the payee number assigned by the State Controller's Office.
- (02) Enter your Official Name, County of Location, Street or P. O. Box address, City, State, and Zip Code.
- (03) If filing an estimated claim, enter an "X" in the box on line (03), Estimated.
- (04) Leave blank.
- (05) If filing an amended estimated claim, enter an "X" in the box on line (05), Amended.
- (06) Enter the fiscal year in which costs are to be incurred.
- (07) Enter the amount of the estimated claim. If the estimate exceeds the previous year's actual costs by more than 10%, complete form HB-1 and enter the amount from line (11).
- (08) Enter the same amount as shown on line (07).
- (09) If filing a reimbursement claim, enter an "X" in the box on line (09), Reimbursement.
- (10) Leave blank.
- (11) If filing an amended reimbursement claim, enter an "X" in the box on line (11), Amended.
- (12) Enter the fiscal year for which actual costs are being claimed. If actual costs for more than one fiscal year are being claimed, complete a separate form FAM-27 for each fiscal year.
- (13) Enter the amount of the reimbursement claim from form HB-1, line (11). The total claimed amount must exceed \$1,000.
- (14) Reimbursement claims must be filed by January 15 of the following fiscal year in which costs were incurred or the claims shall be reduced by a late penalty. Enter zero if the claim was timely filed, otherwise, enter the product of multiplying line (13) by the factor 0.10 (10% penalty), or \$1,000, whichever is less.
- (15) If filing an actual reimbursement claim and an estimated claim was previously filed for the same fiscal year, enter the amount received for the claim. Otherwise, enter a zero.
- (16) Enter the result of subtracting line (14) and line (15) from line (13).
- (17) If line (16), Net Claimed Amount, is positive, enter that amount on line (17), Due from State.
- (18) If line (16), Net Claimed Amount, is negative, enter that amount on line (18), Due to State.
- (19) to (21) Leave blank.
- (22) to (36) Reimbursement Claim Data. Bring forward the cost information as specified on the left-hand column of lines (22) through (36) for the reimbursement claim, e.g., HB-1, (04)(A)(1)(f), means the information is located on form HB-1, block (04), line (A)(1), column (f). Enter the information on the same line but in the right-hand column. Cost information should be rounded to the nearest dollar, i.e., no cents. Indirect costs percentage should be shown as a whole number and without the percent symbol, i.e., 7.548% should be shown as 8. **Completion of this data block will expedite the payment process.**
- (37) Read the statement "Certification of Claim." If it is true, the claim must be dated, signed by the agency's authorized officer, and must include the person's name and title, typed or printed. **Claims cannot be paid unless accompanied by an original signed certification. (To expedite the payment process, please sign the form FAM-27 with blue ink, and attach a copy of the form FAM-27 to the top of the claim package.)**
- (38) Enter the name, telephone number, and e-mail address of the person to contact if additional information is required.
- Claims should be rounded to the nearest dollar. Submit a signed original and a copy of form FAM-27, Claim for Payment, and all other forms and supporting documents. **(To expedite the payment process, please sign the form in blue ink, and attach a copy of the form FAM-27 to the top of the claim package.)** Use the following mailing addresses:

**Address, if delivered by U.S. Postal Service:**

OFFICE OF THE STATE CONTROLLER  
 ATTN: Local Reimbursements Section  
 Division of Accounting and Reporting  
 P.O. Box 942850  
 Sacramento, CA 94250

**Address, if delivered by other delivery service:**

OFFICE OF THE STATE CONTROLLER  
 ATTN: Local Reimbursements Section  
 Division of Accounting and Reporting  
 3301 C Street, Suite 500  
 Sacramento, CA 95816



<b>Program</b> <b>233</b>	<b>MANDATED COSTS</b> <b>HEALTH BENEFITS FOR SURVIVORS OF</b> <b>PEACE OFFICERS AND FIREFIGHTERS</b> <b>CLAIM SUMMARY</b>				<b>FORM</b> <b>HB-1</b>
(01) Claimant		(02) Type of Claim		Fiscal Year	
		Reimbursement <input type="checkbox"/>			
		Estimated <input type="checkbox"/>		20__/20__	
<b>Claim Statistics</b>					
(03) Number of peace officers and firefighters who died in the line of duty during the fiscal year					
<b>Direct Costs</b>		<b>Object Accounts</b>			
(04) Reimbursable Components	(a) Salaries and Benefits	(b) Materials and Supplies	(c) Contract Services	(d) Travel and Training	(f) Total
<b>A. One-Time Costs</b>					
1. Develop Policies & Procedures					
<b>B. Ongoing Costs</b>					
1. File Maintenance					
2. Dependent Notification					
3. Insurance Notification					
4. Continued Coverage					
(05) Total Direct Costs					
<b>Indirect Costs</b>					
(06) Indirect Cost Rate	[Federally approved OMB A-21, FAM-29C, or 7%]				%
(07) Total Indirect Costs	[Line (06) x line (05)(a)]				
(08) Total Direct and Indirect Costs	[Line (05)(f) + line (07)]				
<b>Cost Reduction</b>					
(09) Less: Offsetting Savings					
(10) Less: Other Reimbursements					
(11) Total Claimed Amount	[Line (08) - {line (09) + line (10)}]				

<b>Program</b> <b>233</b>	<b>HEALTH BENEFITS FOR SURVIVORS OF PEACE OFFICERS AND FIREFIGHTERS</b> <b>CLAIM SUMMARY</b> <b>Instructions</b>	<b>FORM</b> <b>HB-1</b>
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- (01) Enter the name of the claimant. If more than one department has incurred costs for this mandate, give the name of each department. A separate form HB-1 should be completed for each department.
- (02) Type of Claim. Check a box, Reimbursement or Estimated, to identify the type of claim being filed. Enter the fiscal year of costs.
- Form HB-1 must be filed for a reimbursement claim. Do not complete form HB-1 if you are filing an estimated claim and the estimate does not exceed the previous fiscal year's actual costs by more than 10%. Simply enter the amount of the estimated claim on form FAM-27, line (07). However, if the estimated claim exceeds the previous fiscal year's actual costs by more than 10%, form HB-1 must be completed and a statement attached explaining the increased costs. Without this information the estimated claim will automatically be reduced to 110% of the previous fiscal year's actual costs.
- (03) Enter the number of peace officers and firefighters who died in the line of duty during the fiscal year of the claim.
- (04) Reimbursable Components. For each reimbursable component, enter the total from form HB-2, line (05), columns (d) through (g) to form HB-1, block (04), columns (a) through (d) in the appropriate row. Total each row.
- (05) Total Direct Costs. Total columns (a) through (f).
- (06) Community college districts may use the federally approved OMBA-21 rate, the rate computed using form FAM 29C, or a 7% indirect cost rate, for the fiscal year of costs.
- (07) Total Indirect Costs. Enter the result of multiplying the Indirect Cost Rate, line (06), by the Total Salaries and Benefits, line (05)(a).
- (08) Total Direct and Indirect Costs. Enter the sum of Total Direct Costs, line (05)(f), and Total Indirect Costs, line (07).
- (09) Less: Offsetting Savings. If applicable, enter the total savings experienced by the claimant as a direct result of this mandate. Submit a detailed schedule of savings with the claim.
- (10) Less: Other Reimbursements. If applicable, enter the amount of other reimbursements received from any source including, but not limited to, service fees collected, federal funds, and other state funds, which reimbursed any portion of the mandated cost program. Submit a schedule detailing the reimbursement sources and amounts.
- (11) Total Claimed Amount. From Total Direct and Indirect Costs, line (08), subtract the sum of Offsetting Savings, line (09), and Other Reimbursements, line (10). Enter the remainder on this line and carry the amount forward to form FAM-27, line (07) for the Estimated Claim or line (13) for the Reimbursement Claim.

Program <b>233</b>	<b>MANDATED COSTS</b> <b>HEALTH BENEFITS FOR SURVIVORS OF</b> <b>PEACE OFFICERS AND FIREFIGHTERS</b> <b>COMPONENT/ACTIVITY COST DETAIL</b>					<b>FORM</b> <b>HB-2</b>
(01) Claimant			(02) Fiscal Year			
(03) Reimbursable Components: Check only <b>one</b> box per form to identify the component being claimed. <b>One-Time Costs:</b> <input type="checkbox"/> Develop Policies and Procedures (A1)  <b>Ongoing Costs:</b> <input type="checkbox"/> File Maintenance (A2) <input type="checkbox"/> Insurance Notification (A4) <input type="checkbox"/> Dependent Notification (A3) <input type="checkbox"/> Continued Coverage (A5)						
(04) Description of Expenses			<b>Object Accounts</b>			
(a) Employee Names, Job Classifications, Functions Performed, Description of Expenses, and <b>*Date of Death</b>	(b) Hourly Rate or Unit Cost	(c) Hours Worked or Quantity	(d) Salaries and Benefits	(e) Materials and Supplies	(f) Contract Services	(g) Travel and Training
(05) Total <input type="checkbox"/> Subtotal <input type="checkbox"/> Page: ____ of ____						

<b>Program</b> <b>233</b>	<b>HEALTH BENEFITS FOR SURVIVORS OF PEACE OFFICERS AND FIREFIGHTERS</b> <b>COMPONENT/ACTIVITY COST DETAIL</b> <b>Instructions</b>	<b>FORM</b> <b>HB-2</b>
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(01) Claimant. Enter the name of the claimant. If more than one department has incurred costs for this mandate, give the name of each department. A separate form HB-2 should be completed for each department.

(02) Fiscal Year. Enter the fiscal year for which costs were incurred.

(03) Reimbursable Components. Each component title lists the corresponding reimbursable activity from the Parameters and Guidelines. For example, Continued Coverage (A5), means the component description is listed in the Parameters and Guidelines under Section IV. Reimbursable Activities, Component A. 5.

Check the box which indicates the cost component being claimed. Check only one box per form. A separate form HB-2 shall be prepared for each applicable component.

(04) **\*Date of Death.** Enter the date of death for each peace officer and firefighter in block (04), column (a).

Ch. 193/97, Death **before** 9/30/96: Reimbursement of costs for the period 1/1/98 to 6/30/98 and fiscal years 1998-99 and 1999-00 for actual claims and 2000-01 for estimated claims.

Ch. 1120/96, Death **after** 9/30/96: Reimbursement of costs for fiscal years 1997-98 through 1999-00 for actual claims and 2000-01 for estimated claims.

Description of Expenses. The following table identifies the type of information required to support reimbursable costs. To detail costs for the component activity box "checked" in block (03), enter the employee names, position titles, a brief description of the activities performed, actual time spent by each employee, productive hourly rates, fringe benefits, supplies used, contract services, travel expenses, etc. **The descriptions required in column (4)(a) must be of sufficient detail to explain the cost of activities or items being claimed.** For audit purposes, all supporting documents must be retained by the claimant for a period of not less than three years after the end of the calendar year in which the reimbursement claim was filed or last amended, whichever is later. When no funds are appropriated for the initial payment at the time the claim was filed, supporting documents must be retained for three years from the date of initial payment of the claim. Such documents shall be made available to the State Controller's Office on request.

Object/ Sub object Accounts	Columns								Submit these supporting documents with the claim
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	
<b>Salaries</b>	Employee Name/Title	Hourly Rate	Hours Worked	Salaries = Hourly Rate x Hours Worked					
<b>Benefits</b>	Activities Performed	Benefit Rate		Benefits = Benefit Rate x Salaries					
<b>Materials and Supplies</b>	Description of Supplies Used	Unit Cost	Quantity Used		Cost = Unit Cost x Quantity Used				
<b>Contract Services</b>	Name of Contractor  Specific Tasks Performed	Hourly Rate	Hours Worked  Inclusive Dates of Service			Cost = Hourly Rate x Hours Worked or Total Contract			Invoice
<b>Travel and Training</b>	Purpose of Trip Name and Title  Departure and Return Date	Per Diem Rate  Mileage Rate Travel Cost	Days  Miles Travel Mode				Cost = Rate x Days or Miles  or Total Travel Cost		
Travel									
Training	Employee Name/Title  Name of Class		Dates Attended				Registration Fee		

(05) Total line (04), columns (d) through (h) and enter the sum on this line. Check the appropriate box to indicate if the amount is a total or subtotal. If more than one form is needed to detail the component/activity costs, number each page. Enter totals from line (05), columns (d) through (h) to form HB-1, block (04), columns (a) through (e) in the appropriate row.

# HEALTH FEE ELIMINATION

## 1. Summary of Chapters 1/84, 2nd E.S., and Chapter 1118/87

Chapter 1, Statutes of 1984, 2nd E.S., repealed Education Code § 72246 which authorized community college districts to charge a fee for the purpose of providing health supervision and services, direct and indirect medical and hospitalization services, and operation of student health centers. The statute also required community college districts that charged a fee in the 1983/84 fiscal year to maintain that level of health services in the 1984/85 fiscal year and each fiscal year thereafter. The provisions of this statute would automatically repeal on December 31, 1987, which would reinstate the community college districts' authority to charge a health fee as specified.

Chapter 1118, Statutes of 1987 amended Education Code § 72246 to require any community college district that provided health services in the 1986/87 fiscal year to maintain health services at that level in the 1986/87 fiscal year and each fiscal year thereafter. Chapter 8, Statutes of 1993, has revised the numbering of § 72246 to § 76355.

## 2. Eligible Claimants

Any community college district incurring increased costs as a result of this mandate is eligible to claim reimbursement of these costs.

## 3. Appropriations

To determine if current funding is available for this program, refer to the schedule "Appropriations for State Mandated Cost Programs" in the "Annual Claiming Instructions for State Mandated Costs" issued in mid-September of each year to community college presidents.

## 4. Types of Claims

### A. Reimbursement and Estimated Claims

A claimant may file a reimbursement claim and/or an estimated claim. A reimbursement claim details the costs actually incurred for a prior fiscal year. An estimated claim shows the costs to be incurred for the current fiscal year.

### B. Minimum Claim

Section 17564(a), Government Code, provides that no claim shall be filed pursuant to Section 17561 unless such a claim exceeds \$200 per program per fiscal year.

## 5. Filing Deadline

- (1) Refer to item 3 "Appropriations" to determine if the program is funded for the current fiscal year. If funding is available, an estimated claim must be filed with the State Controller's Office and postmarked by November 30, of the fiscal year in which costs are to be incurred. Timely filed estimated claims will be paid before late claims.

After having received payment for an estimated claim, the claimant must file a reimbursement claim by November 30, of the following fiscal year regardless whether the payment was more or less than the actual costs. If the local agency fails to file a reimbursement claim, monies received must be returned to the State. If no estimated claim was filed, the local agency may file a reimbursement

claim detailing the actual costs incurred for the fiscal year, provided there was an appropriation for the program for that fiscal year. (See item 3 above).

- (2) A reimbursement claim detailing the actual costs must be filed with the State Controller's Office and postmarked by November 30 following the fiscal year in which costs were incurred. If the claim is filed after the deadline but by November 30 of the succeeding fiscal year, the approved claim must be reduced by a late penalty of 10%, not to exceed \$1,000. Claims filed more than one year after the deadline will not be accepted.

## **6. Reimbursable Components**

Eligible claimants will be reimbursed for health service costs at the level of service provided in the 1986/87 fiscal year. The reimbursement will be reduced by the amount of student health fees authorized per the Education Code § 76355.

After January 1, 1993, pursuant to Chapter 8, Statutes of 1993, the fees students were required to pay for health supervision and services were not more than:

\$10.00 per semester

\$5.00 for summer school

\$5.00 for each quarter

Beginning with the summer of 1997, the fees are:

\$11.00 per semester

\$8.00 for summer school or

\$8.00 for each quarter

The district may increase fees by the same percentage increase as the Implicit Price Deflator (IPD) for the state and local government purchase of goods and services.

Whenever the IPD calculates an increase of one dollar (\$1) above the existing amount, the fees may be increased by one dollar (\$1).

## **7. Reimbursement Limitations**

- A. If the level at which health services were provided during the fiscal year of reimbursement is less than the level of health services that were provided in the 1986/87 fiscal year, no reimbursement is forthcoming.
- B. Any offsetting savings or reimbursement the claimant received from any source (e.g. federal, state grants, foundations, etc.) as a result of this mandate, shall be identified and deducted so only net local costs are claimed.

## **8. Claiming Forms and Instructions**

The diagram "Illustration of Claim Forms" provides a graphical presentation of forms required to be filed with a claim. A claimant may submit a computer generated report in substitution for forms HFE-1.0, HFE-1.1, and form HFE-2 provided the format of the report and data fields contained within the report are identical to the claim forms included in these instructions. The claim forms provided with these instructions should be duplicated and used by the claimant to file estimated and reimbursement claims. The State Controller's Office will revise the manual and claim forms as necessary. In such instances, new replacement forms will be mailed to claimants.

**A. Form HFE- 2, Health Services**

This form is used to list the health services the community college provided during the 1986/87 fiscal year and the fiscal year of the reimbursement claim.

**B. Form HFE-1.1, Claim Summary**

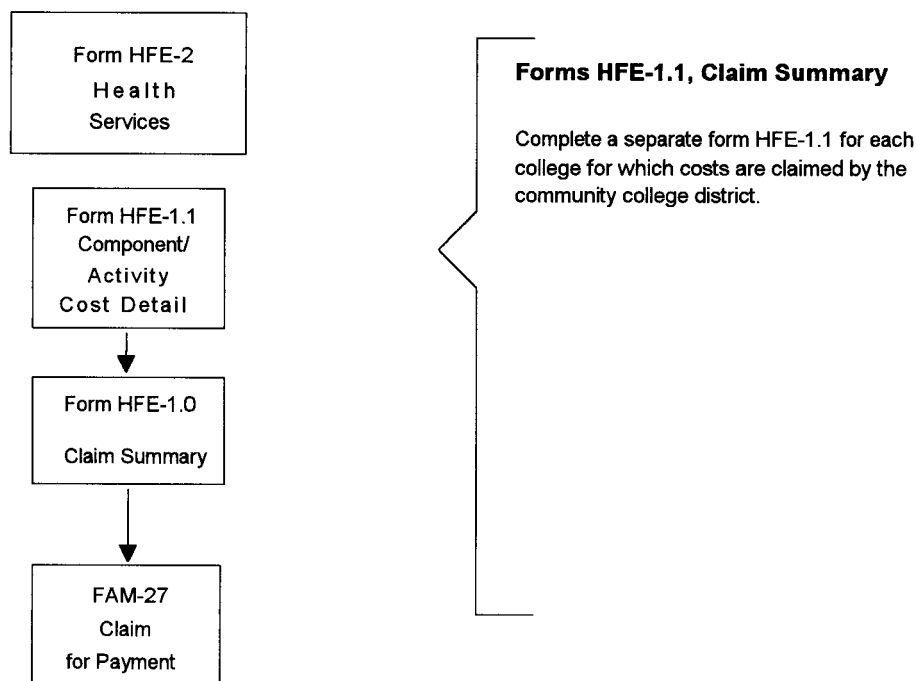
This form is used to compute the allowable increased costs an individual college of the community college district has incurred to comply with the state mandate. The level of health services reported on this form must be supported by official financial records of the community college district. A copy of the document must be submitted with the claim. The amount shown on line (13) of this form is carried to form HFE-1.0.

**C. Form HFE-1.0, Claim Summary**

This form is used to list the individual colleges that had increased costs due to the state mandate and to compute a total claimable cost for the district. The "Total Amount Claimed", line (04) on this form is carried forward to form FAM-27, line 13, for the reimbursement claim, or line (07) for the estimated claim.

**D. Form FAM-27, Claim for Payment**

This form contains a certification that must be signed by an authorized representative of the local agency. All applicable information from form HFE-1.0 and HFE 1.1 must be carried forward to this form for the State Controller's Office to process the claim for payment.

**Illustration of Claim Forms**

CLAIM FOR PAYMENT Pursuant to Government Code Section 17561 HEALTH FEE ELIMINATION			For State Controller Use Only		Program <b>234</b>
			(19) Program Number 00234		
			(20) Date Filed ____/____/____		
			(21) LRS Input ____/____/____		
L A B E L  H E R E	(01) Claimant Identification Number		Reimbursement Claim Data		
	(02) Claimant Name		(22) HFE-1.0, (04)(b)		
	County of Location		(23)		
	Street Address or P.O. Box Suite		(24)		
	City State Zip Code		(25)		
Type of Claim	Estimated Claim	Reimbursement Claim	(26)		
	(03) Estimated <input type="checkbox"/>	(09) Reimbursement <input type="checkbox"/>	(27)		
	(04) Combined <input type="checkbox"/>	(10) Combined <input type="checkbox"/>	(28)		
	(05) Amended <input type="checkbox"/>	(11) Amended <input type="checkbox"/>	(29)		
Fiscal Year of Cost	(06) 20____/20____	(12) 20____/20____	(30)		
Total Claimed Amount	(07)	(13)	(31)		
Less: 10% Late Penalty, not to exceed \$1,000		(14)	(32)		
Less: Prior Claim Payment Received		(15)	(33)		
Net Claimed Amount		(16)	(34)		
Due from State	(08)	(17)	(35)		
Due to State		(18)	(36)		
<b>(37) CERTIFICATION OF CLAIM</b> <p>In accordance with the provisions of Government Code Section 17561, I certify that I am the officer authorized by the community college district to file mandated cost claims with the State of California for this program, and certify under penalty of perjury that I have not violated any of the provisions of Government Code Sections 1090 to 1098, inclusive.</p> <p>I further certify that there was no application other than from the claimant, nor any grant or payment received, for reimbursement of costs claimed herein, and such costs are for a new program or increased level of services of an existing program. All offsetting savings and reimbursements set forth in the Parameters and Guidelines are identified, and all costs claimed are supported by source documentation currently maintained by the claimant.</p> <p>The amounts for this Estimated Claim and/or Reimbursement Claim are hereby claimed from the State for payment of estimated and/or actual costs set forth on the attached statements. I certify under penalty of perjury under the laws of the State of California that the foregoing is true and correct.</p> <div style="display: flex; justify-content: space-between;"> <div>Signature of Authorized Officer</div> <div>Date</div> </div> <div style="display: flex; justify-content: space-between; margin-top: 20px;"> <div>_____</div> <div>_____</div> </div> <div style="display: flex; justify-content: space-between;"> <div>Type or Print Name</div> <div>Title</div> </div> <div style="display: flex; justify-content: space-between; margin-top: 10px;"> <div>(38) Name of Contact Person for Claim</div> <div>Telephone Number (    )    -    Ext.</div> </div> <div style="display: flex; justify-content: space-between; margin-top: 10px;"> <div>_____</div> <div>E-Mail Address _____</div> </div>					



<b>Program</b> <b>234</b>	<b>HEALTH FEE ELIMINATION</b> <b>Certification Claim Form</b> <b>Instructions</b>	<b>FORM</b> <b>FAM-27</b>
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- (01) Enter the payee number assigned by the State Controller's Office.
- (02) Enter your Official Name, County of Location, Street or P. O. Box address, City, State, and Zip Code.
- (03) If filing an estimated claim, enter an "X" in the box on line (03) Estimated.
- (04) Leave blank.
- (05) If filing an amended estimated claim, enter an "X" in the box on line (05) Amended.
- (06) Enter the fiscal year in which costs are to be incurred.
- (07) Enter the amount of the estimated claim. If the estimate exceeds the previous year's actual costs by more than 10%, complete form HFE-1.1 and enter the amount from line (13).
- (08) Enter the same amount as shown on line (07).
- (09) If filing a reimbursement claim, enter an "X" in the box on line (09) Reimbursement.
- (10) Leave blank.
- (11) If filing an amended reimbursement claim, enter an "X" in the box on line (11) Amended.
- (12) Enter the fiscal year for which actual costs are being claimed. If actual costs for more than one fiscal year are being claimed, complete a separate form FAM-27 for each fiscal year.
- (13) Enter the amount of the reimbursement claim from form HFE-1.1, line (13 ). The total claimed amount must exceed \$1,000.
- (14) Reimbursement claims must be filed by January 15 of the following fiscal year in which costs are incurred or the claims shall be reduced by a late penalty. Enter zero if the claim was timely filed, otherwise, enter the product of multiplying line (13) by the factor 0.10 (10% penalty), or \$1,000, whichever is less.
- (15) If filing an actual reimbursement claim and an estimated claim was previously filed for the same fiscal year, enter the amount received for the claim. Otherwise, enter a zero.
- (16) Enter the result of subtracting line (14) and line (15) from line (13).
- (17) If line (16), Net Claimed Amount, is positive, enter that amount on line (17), Due from State.
- (18) If line (16), Net Claimed Amount, is negative, enter that amount on line (18), Due to State.
- (19) to (21) Leave blank.
- (22) to (36) Reimbursement Claim Data. Bring forward the cost information as specified on the left-hand column of lines (22) through (36) for the reimbursement claim, e.g., HFE-1.0, (04)(b), means the information is located on form HFE-1.0, block (04), column (b). Enter the information on the same line but in the right-hand column. Cost information should be rounded to the nearest dollar, i.e., no cents. Indirect costs percentage should be shown as a whole number and without the percent symbol, i.e., 7.548% should be shown as 8. **Completion of this data block will expedite the payment process.**
- (37) Read the statement "Certification of Claim." If it is true, the claim must be dated, signed by the agency's authorized officer, and must include the person's name and title, typed or printed. **Claims cannot be paid unless accompanied by an original signed certification. (To expedite the payment process, please sign the form FAM-27 with blue ink, and attach a copy of the form FAM-27 to the top of the claim package.)**
- (38) Enter the name, telephone number, and e-mail address of the person whom this office should contact if additional information is required.

Claims should be rounded to the nearest dollar. Submit a signed original and a copy of form FAM-27, Claim for Payment, and all other forms and supporting documents. **(To expedite the payment process, please sign the form in blue ink, and attach a copy of the form FAM-27 to the top of the claim package.)** Use the following mailing addresses:

**Address, if delivered by U.S. Postal Service:**

**OFFICE OF THE STATE CONTROLLER**  
**ATTN: Local Reimbursements Section**  
**Division of Accounting and Reporting**  
**P.O. Box 942850**  
**Sacramento, CA 94250**

**Address, if delivered by other delivery service:**

**OFFICE OF THE STATE CONTROLLER**  
**ATTN: Local Reimbursements Section**  
**Division of Accounting and Reporting**  
**3301 C Street, Suite 500**  
**Sacramento, CA 95816**

<b>MANDATED COSTS</b> <b>HEALTH FEE ELIMINATION</b> <b>CLAIM SUMMARY</b>		<b>FORM</b> <b>HFE-1.0</b>
(01) Claimant	(02) Type of Claim Reimbursement <input style="width: 40px;" type="text"/> Estimated <input style="width: 40px;" type="text"/>	Fiscal Year 19__/19__
<b>(03) List all the colleges of the community college district identified in form HFE-1.1, line (03)</b>		
(a) Name of College	(b) Claimed Amount	
1.		
2.		
3.		
4.		
5.		
6.		
7.		
8.		
9.		
10.		
11.		
12.		
13.		
14.		
15.		
16.		
17.		
18.		
19.		
20.		
21.		
<b>(04) Total Amount Claimed</b>	[Line (3.1b) + line (3.2b) + line (3.3b) + ...line (3.21b)]	

<b>HEALTH FEE ELIMINATION CLAIM SUMMARY Instructions</b>	<b>FORM HFE-1.0</b>
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(01) Enter the name of the claimant. Only a community college district may file a claim with the State Controller's Office on behalf of its colleges.

(02) Check a box, Reimbursement or Estimated, to identify the type of claim being filed. Enter the fiscal year for which the expenses were/are to be incurred. A separate claim must be filed for each fiscal year.

Form HFE-1.0 must be filed for a reimbursement claim. Do not complete form HFE-1.0 if you are filing an estimated claim and the estimate is not more than 110% of the previous fiscal year's actual costs. Simply enter the amount of the estimated claim on form FAM-27, line (07). However, if the estimated claim exceeds the previous fiscal year's actual costs by more than 10%, forms HFE-1.0 and HFE-1.1 must be completed and a statement attached explaining the increased costs. Without this information the high estimated claim will automatically be reduced to 110% of the previous fiscal year's actual costs.

(03) List all the colleges of the community college district which have increased costs. A separate form HFE-1.1 must be completed for each college showing how costs were derived.

(04) Enter the total claimed amount of all colleges by adding the Claimed Amount, line (3.1b) + line (3.2b) ...+ (3.21b).

<b>Program</b> <b>234</b>	<b>MANDATED COSTS</b> <b>HEALTH FEE ELIMINATION</b> <b>CLAIM SUMMARY</b>						<b>FORM</b> <b>HFE-1.1</b>	
(01) Claimant			(02) Type of Claim				Fiscal Year	
			Reimbursement <input type="checkbox"/>					
			Estimated <input type="checkbox"/>				20__/20__	
(03) Name of College								
(04) Indicate with a check mark, the level at which health services were provided during the fiscal year of reimbursement in comparison to the 1986-87 fiscal year. If the "Less" box is checked, <b>STOP</b> , do not complete the form. No reimbursement is allowed.								
LESS <input type="checkbox"/> SAME <input type="checkbox"/> MORE <input type="checkbox"/>								
						Direct Cost	Indirect Cost	Total
(05) Cost of health services for the fiscal year of claim								
(06) Cost of providing current fiscal year health services in excess of 1986-87								
(07) Cost of providing current fiscal year health services at 1986-87 level [Line (05) - line (06)]								
(08) Complete columns (a) through (g) to provide detail data for health fees								
	Collection Period	(a) Number of Students Enrolled	(b) Students Exempt per EC 76355(c)(1)	(c) Students Exempt per EC 76355(c)(2)	(d) Students Exempt per EC 76355(c)(3)	(e) Number of Students Subject to Health Fee (a)-(b)-(c)-(d)	(f) Unit Cost Per Student Per EC 76355	(g) Student Health Fees (e) x (f)
1.	Per Fall Semester							
2.	Per Spring Semester							
3.	Per Summer Session							
4.	Per First Quarter							
5.	Per Second Quarter							
6.	Per third Quarter							
(09) Total health fee that could have been collected: The sum of (Line (08)(1)(c) through line (08)(6)(c)								
(10) Subtotal [Line (07) - line (09)]								
<b>Cost Reduction</b>								
(11) Less: Offsetting Savings								
(12) Less: Other Reimbursements								
(13) Total Claimed Amount [Line (10) - {line (11) + line (12)}]								

<b>Program</b> <b>234</b>	<b>HEALTH FEE ELIMINATION</b> <b>CLAIM SUMMARY</b> <b>Instructions</b>	<b>FORM</b> <b>HFE-1.1</b>
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- (01) Enter the name of the claimant. Only a community college district may file a claim with the State Controller's Office (SCO) on behalf of its colleges.
- (02) Type of Claim. Check a box, Reimbursement or Estimated, to identify the type of claim being filed. Enter the fiscal year of costs.
- Form HFE-1.1 must be filed for a reimbursement claim. Do not complete form HFE-1.1 if you are filing an estimated claim and the estimate does not exceed the previous fiscal year's actual costs by more than 10%. Simply enter the amount of the estimated claim on form FAM-27, line (07). However, if the estimated claim exceeds the previous fiscal year's actual costs by more than 10%, form HFE-1.1 must be completed and a statement attached explaining the increased costs. Without this information the high estimated claim will automatically be reduced to 110% of the previous fiscal year's actual costs.
- (03) Enter the name of the college or community college district that provided student health services in the 1986-87 fiscal year and continue to provide the same services during the fiscal year of claim.
- (04) Compare the level of services provided during the fiscal year of reimbursement to the 1986-87 fiscal year and indicate the result by marking a check in the appropriate box. If the "Less" box is checked, STOP and do not complete the remaining part of this claim form. No reimbursement is forthcoming.
- (05) Enter the direct cost, indirect cost, and total cost of health services for the fiscal year of claim on line (05). Direct cost of health services is identified on the college expenditure report authorized by Education Code §76355 and included in the Community College Annual Financial and Budget Report CCFS-311, EDP Code 6440, column 5. If the amount of direct costs claimed is different than that shown on the expenditure report, provide a schedule listing those community college costs that are in addition to, or a reduction to expenditures shown on the report. For claiming indirect costs, college districts have the option of using a federally approved rate from the Office of Management and Budget Circular A-21, form FAM-29C, or a 7% indirect cost rate.
- (06) Enter the direct cost, indirect cost, and total cost of health services that are in excess of the level provided in the 1986-87 fiscal year.
- (07) Enter the difference of the cost of health services for the fiscal year of claim, line (05) and the cost of providing current fiscal year services that are in excess of the level provided in the 1986-87 fiscal year line (06).
- (08) Complete columns (a) through (g) to provide details on the number of students enrolled, the number of students exempt per EC Section 76355(c)(1), (2), and (3), and the amount of health service fees that could have been collected. After 05/01/01, the student fees for health supervision and services are \$12.00 per semester, \$9.00 for summer school, and \$9 for each quarter.
- (09) Enter the sum of student health fees that could have been collected, other than exempt students.
- (10) Enter the difference of the cost of providing health services at the 1986-87 level, line (07) and the total health fee that could have been collected, line (09). If line (09) is greater than line (07), no claim shall be filed.
- (11) Enter the total savings experienced by the school identified in line (03) as a direct cost of this mandate. Submit a detailed schedule of savings with the claim.
- (12) Enter the total of other reimbursements received from any source, (i.e., federal, other state programs, etc.,) Submit a detailed schedule of reimbursements with the claim.
- (13) Subtract the sum of Offsetting Savings, line (11), and Other Reimbursements, line (12), from Total 1986-87 Health Service Cost excluding Student Health Fees.

<b>MANDATED COSTS</b> <b>HEALTH ELIMINATION FEE</b> <b>HEALTH SERVICES</b>		<b>FORM</b> <b>HFE-2</b>	
(01) Claimant:		(02) Fiscal Year costs were incurred:	
(03) Place an "X" in columns (a) and/or (b), as applicable, to indicate which health services were provided by student health service fees for the indicated fiscal years.		(a) FY 1986/87	(b) FY of Claim
Accident Reports  Appointments College Physician, surgeon Dermatology, family practice Internal Medicine Outside Physician Dental Services Outside Labs, (X-ray, etc.) Psychologist, full services Cancel/Change Appointments Registered Nurse Check Appointments  Assessment, Intervention and Counseling Birth Control Lab Reports Nutrition Test Results, office Venereal Disease Communicable Disease Upper Respiratory Infection Eyes, Nose and Throat Eye/Vision Dermatology/Allergy Gynecology/Pregnancy Service Neuralgic Orthopedic Genito/Urinary Dental Gastro-Intestinal Stress Counseling Crisis Intervention Child Abuse Reporting and Counseling Substance Abuse Identification and Counseling Acquired Immune Deficiency Syndrome Eating Disorders Weight Control Personal Hygiene Burnout Other Medical Problems, list  Examinations, minor illnesses Recheck Minor Injury  Health Talks or Fairs, Information Sexually Transmitted Disease Drugs Acquired Immune Deficiency Syndrome			

<b>MANDATED COSTS</b> <b>HEALTH ELIMINATION FEE</b> <b>HEALTH SERVICES</b>		<b>FORM</b> <b>HFE-2</b>	
(01) Claimant:		(02) Fiscal Year costs were incurred:	
(03) Place an "X" in column (a) and/or (b), as applicable, to indicate which health services were provided by student health service fees for the indicated fiscal years.		(a) FY 1986/87	(b) FY of Claim
Child Abuse Birth Control/Family Planning Stop Smoking Library, Videos and Cassettes  First Aid, Major Emergencies  First Aid, Minor Emergencies  First Aid Kits, Filled  Immunizations Diphtheria/Tetanus Measles/Rubella Influenza Information  Insurance On Campus Accident Voluntary Insurance Inquiry/Claim Administration  Laboratory Tests Done Inquiry/Interpretation Pap Smears  Physical Examinations Employees Students Athletes  Medications Antacids Antidiarrheal Aspirin, Tylenol, Etc Skin Rash Preparations Eye Drops Ear Drops Toothache, oil cloves Stingkill Midol, Menstrual Cramps Other, list  Parking Cards/Elevator Keys Tokens Return Card/Key Parking Inquiry Elevator Passes Temporary Handicapped Parking Permits			

<b>MANDATED COSTS</b> <b>HEALTH ELIMINATION FEE</b> <b>HEALTH SERVICES</b>		<b>FORM</b> <b>HFE-2</b>	
(01) Claimant:		(02) Fiscal Year costs were incurred:	
(03) Place an "X" in columns (a) and/or (b), as applicable, to indicate which health services were provided by student health service fees for the indicated fiscal years.		(a) FY 1986/87	(b) FY of Claim
Referrals to Outside Agencies Private Medical Doctor Health Department Clinic Dental Counseling Centers Crisis Centers Transitional Living Facilities, battered/homeless women Family Planning Facilities Other Health Agencies  Tests Blood Pressure Hearing Tuberculosis Reading Information  Vision Glucometer Urinalysis Hemoglobin EKG Strep A testing PG Testing Monospot Hemacult Others, list  Miscellaneous Absence Excuses/PE Waiver Allergy Injections Band-aids Booklets/Pamphlets Dressing Change Rest Suture Removal Temperature Weigh Information Report/Form Wart Removal Others, list  Committees Safety Environmental Disaster Planning			



OFFICE OF THE STATE CONTROLLER  
STATE MANDATED COSTS CLAIMING INSTRUCTIONS NO. 2003-06  
INVESTMENT REPORTS  
(COMMUNITY COLLEGES)

In accordance with Government Code (GC) Section 17561, eligible claimants may submit claims to the State Controller's Office (SCO) for reimbursement of costs incurred for state mandated cost programs. The following are claiming instructions and forms that eligible claimants will use for the filing of claims for the Investment Reports (INR) program. These claiming instructions are issued subsequent to adoption of the program's amended parameters and guidelines (P's & G's) by the Commission on State Mandates (COSM).

On March 27, 1997, the COSM determined that the provisions of GC Section 53646, subdivisions (a), (b), and (e), as added by Chapter 783, Statutes of 1995, and amended by Chapters 156 and 749, Statutes of 1996, imposed a new program or a higher level of service in an existing program, by requiring agencies to render an annual statement of investment policy and to render quarterly reports of investments. These instructions incorporate amendments to the original mandate that was filed on October 13, 2000. For your reference, the amended P's & G's are included as an integral part of the claiming instructions.

**Eligible Claimants**

Any community college district, as defined in GC Section 17519, that have incurred increased costs as a direct result of this mandate is eligible to claim reimbursement of these costs.

**Filing Deadlines**

**A. Reimbursement Claims**

Initial reimbursement claims must be filed within 120 days from the issuance date of claiming instructions. Reimbursement claims for fiscal years 1999-00 through 2001-02 must be filed with the SCO and be delivered or postmarked on or before **September 9, 2003**.

Beginning with the 2002-03 fiscal year, estimated claims may be filed with the SCO and be delivered or postmarked on or before **September 9, 2003** or an actual claim for the 2002-03 fiscal year may be filed by January 15, 2004, without a late penalty. Claims filed after the deadline will be reduced by a late penalty of 10%.

Costs for all initial reimbursement claims must be filed separately according to the fiscal year in which the costs were incurred. In order for a claim to be considered properly filed, it must include any specific supporting documentation requested in the instructions. **Claims filed more than one year after the deadline will not be accepted.**

## **B. Estimated Claims**

Unless otherwise specified in the claiming instructions, claimants are not required to provide cost schedules and supporting documents with an estimated claim if the estimated amount does not exceed the previous fiscal year's actual costs by more than 10%. Claimants can simply enter the estimated amount on form FAM-27, line (07). However, if the estimated claim exceeds the previous fiscal year's actual costs by more than 10%, claimants must complete supplemental claim forms to support their estimated costs as specified for the program to explain the reason for the increased costs. If no explanation supporting the higher estimate is provided with the claim, it will automatically be adjusted to 110% of the previous fiscal year's actual costs. Future estimated claims filed with the SCO must be postmarked by January 15 of the fiscal year in which costs will be incurred. Claims filed timely will be paid before late claims.

## **Minimum Claim Cost**

For initial claims and annual claims filed **on or after September 30, 2002**, if the total costs for a given year do not exceed **\$1,000**, no reimbursement shall be allowed except as otherwise allowed by GC Section 17564. The county superintendent of schools shall determine if the submission of a combined claim is economically feasible and shall be responsible for disbursing the funds to each school district. Combined claims may be filed only when the county is the fiscal agent for the school districts. A combined claim must show the individual claim costs for each eligible school district.

## **Reimbursement of Claims**

To be eligible for mandated cost reimbursement for any fiscal year, only actual costs may be claimed. Actual costs are those costs actually incurred to implement the mandated activities. Actual costs must be traceable and supported by source documents that show the validity of such costs, when they were incurred, and their relationship to the reimbursable activities.

Initial reimbursement claims will only be reimbursed to the extent that expenditures can be supported and, if such information is unavailable, claims will be reduced. In addition, ongoing reimbursement claims must be supported by documentation as evidence of the expenditures. Examples of documentation may include, but are not limited to, employee time records that identify mandate activities, payroll records, invoices, receipts, contracts, travel expense vouchers, purchase orders, and caseload statistics. Refer to Sections IV and V of the attached amended P's & G's.

## **Audit of Costs**

All claims submitted to the SCO are reviewed to determine if costs are related to the mandate, are reasonable and not excessive, and the claim was prepared in accordance with the P's & G's adopted by the COSM. If any adjustments are made to a claim, a "Notice of Claim Adjustment" specifying the claim component adjusted, the amount adjusted, and the reason for the adjustment, will be mailed within 30 days after payment of the claim.

On-site audits will be conducted by the SCO as deemed necessary. Pursuant to GC Section 17558.5, subdivision (a), a reimbursement claim for actual costs filed by a school district is subject to audit by the State Controller no later than three years after the date the actual reimbursement claim was filed or last amended, whichever is later. However, if no funds were appropriated or no payment was made to a claimant for the program for the fiscal year for which the claim was filed, the time for the Controller to initiate an audit shall commence to run from the date of initial payment of the

claim. Therefore, all documentation to support actual costs claimed must be retained for the same period, and shall be made available to the SCO on request.

### **Retention of Claiming Instructions**

The claiming instructions and forms in this package should be retained permanently in your Mandated Cost Manual for future reference and use in filing claims. These forms should be duplicated to meet your filing requirements. You will be notified of updated forms or changes to claiming instructions as necessary.

For your reference, these and future mandated costs claiming instructions and forms can be found on the Internet at [www.sco.ca.gov/ard/local/locreim/index.shtml](http://www.sco.ca.gov/ard/local/locreim/index.shtml).

### **Address for Filing Claims**

Submit a signed original and a copy of form FAM-27, Claim for Payment, and all other forms and supporting documents to:

If delivered by  
U.S. Postal Service:

Office of the State Controller  
Attn: Local Reimbursements Section  
Division of Accounting and Reporting  
P.O. Box 942850  
Sacramento, CA 94250

If delivered by  
Other delivery services:

Office of the State Controller  
Attn: Local Reimbursements Section  
Division of Accounting and Reporting  
3301 C Street, Suite 500  
Sacramento, CA 95816

## **PARAMETERS AND GUIDELINES AMENDMENT**

Government Code Section 53646, Subdivisions (a), (b), and (e)

Statutes 1995, Chapter 783

Statutes 1996, Chapter 156

Statutes 1996, Chapter 749

### *Investment Reports*

#### **I. SUMMARY OF THE MANDATE**

Statutes 1995, chapter 783 repealed the 1993 version of Government Code section 53646, and replaced it with a new section. Statutes 1996, chapter 156, an urgency bill, and Statutes 1996, chapter 749, amended subdivisions (a) and (e) of section 53646. Government Code section 53646 requires the treasurer or chief fiscal officer to render an annual statement of investment policy and a quarterly report of investments, containing specified information to the legislative body and oversight committee, as specified.

On March 27, 1997, the Commission on State Mandates determined that the provisions of Government Code section 53646, subdivisions (a), (b) and (e), as added by Statutes 1995, chapter 783, and amended by Statutes 1996, chapters 156 and 749, impose a new program or a higher level of service in an existing program upon specified local agencies and school districts within the meaning of section 6, article XIII B of the California Constitution and section 17514 of the Government Code by requiring those agencies to perform the following activities:

- To render an annual statement of investment policy pursuant to Government Code section 53646, subdivision (a).
- To render quarterly reports of investments, as specified, pursuant to Government Code section 53646, subdivisions (b) and (e).

#### **II. ELIGIBLE CLAIMANTS**

The eligible claimants are any county, city, city and county or other public agency or political subdivision of the state, including school districts as defined in Government Code section 17519.

#### **III. PERIOD OF REIMBURSEMENT**

Government Code section 17557, prior to its amendment by Statutes 1998, chapter 681 (effective September 22, 1998), states that a test claim shall be submitted on or before December 31st following a given fiscal year to establish eligibility for that fiscal year. The test claim for *Investment Reports* was filed on December 23, 1996, establishing eligibility for fiscal year 1995-1996. However, the test claim statutes were not in effect on July 1, 1995. Therefore, initial reimbursement claims were filed for costs incurred, as follows:

Costs incurred pursuant to Statutes 1995, chapter 783 are reimbursable on or after January 1, 1996.

Costs incurred pursuant to Statutes 1996, chapter 156 an urgency statute, are reimbursable on or after July 12, 1996.

- Costs incurred pursuant to Statutes 1996, chapter 749 are reimbursable on or after January 1, 1997.

California Code of Regulations, title 2, section 1183.2, states that a parameters and guidelines amendment filed after the initial claiming deadline must be submitted on or before January 15 following a fiscal year in order to establish eligibility for reimbursement for that fiscal year. An amendment was filed on October 13, 2000. Therefore, in accordance with Section 1183.2, all costs incurred by eligible claimants in compliance with Statutes 1995, chapter 783, and Statutes 1996, chapters 156 and 749 are eligible for reimbursement on or after July 1, 1999.

Actual costs for one fiscal year shall be included in each claim. Estimated costs for the subsequent year may be included on the same claim, if applicable.

Pursuant to Government Code section 17561, subdivision (d)(1), all claims for reimbursement of costs shall be submitted within 120 days of issuance of the claiming instructions by the State Controller.

For initial claims and annual claims filed prior to September 30, 2002, including amendments thereof, if the total costs for a given fiscal year do not exceed \$200, no reimbursement shall be allowed except as otherwise allowed by Government Code section 17564. For initial claims and annual claims filed on or after September 30, 2002, if the total costs for a given fiscal year do not exceed \$1000, no reimbursement shall be allowed except as otherwise allowed by Government Code section 17564.

#### **IV. REIMBURSABLE ACTIVITIES**

To be eligible for mandated cost reimbursement for any fiscal year, only actual costs may be claimed. Actual costs are those costs actually incurred to implement the mandated activities. Actual costs must be traceable and supported by source documents that show the validity of such costs, when they were incurred, and their relationship to the reimbursable activities. A source document is a document created at or near the same time the actual cost was incurred for the event or activity in question. Source documents may include, but are not limited to, employee time records or time logs, sign-in sheets, invoices, and receipts.

Evidence corroborating the source documents may include, but is not limited to, worksheets, cost allocation reports (system generated), purchase orders, contracts, agendas, training packets, and declarations. Declarations must include a certification or declaration stating, "I certify under penalty of perjury under the laws of the State of California that the foregoing is true and correct based upon personal knowledge." Evidence corroborating the source documents may include data relevant to the reimbursable activities otherwise in compliance with local, state, and federal government requirements. However, corroborating documents cannot be substituted for source documents.

The claimant is only allowed to claim and be reimbursed for increased costs for reimbursable activities identified below. Increased cost is limited to the cost of an activity that the claimant is required to incur as a result of the mandate.

For each eligible claimant, the following activities are reimbursable:

A. Statement of Investment Policy

Prepare and submit the annual statement of investment policy, and changes to:

1. The legislative body and any oversight committee for consideration at a public meeting, effective January 1, 1996.<sup>1</sup>
2. The county board of supervisors and any oversight committee for review and approval at a public meeting, effective January 1, 1997.

B. Quarterly Report of Investments

1. Implementation Costs

Develop or modify existing policies and procedures for compiling data necessary to render the quarterly report of investments, as required in Government Code section 53646, subdivisions (b)(1), (2), (3) and/or (e), and update same as needed pursuant to the annual statement of investment policy.

2. Ongoing Costs

Compile data necessary to render a quarterly report of investments to the chief executive officer, the internal auditor, and the legislative body of the local agency within 30 days following the end of the quarter covered by the report. (Gov. Code, § 53646, subd. (b) (1), (2), and (3) and/or (e).)

- a. For each investment that is held on the last day of each quarter and included in a quarterly report of investments, the following activities are eligible for reimbursement:

1. One-time data entry into investment reporting application or software:

- the type of investment and issuer,
- date of maturity, and
- par and dollar amount invested

2. Providing a description of any of the local agency's funds, investments or programs, including lending programs that are under the management of contracted parties.

3. Obtaining and reporting current market value as of the date of the quarterly report, and reporting the source of this valuation for all investments held by the local agency<sup>2</sup> and under management of any outside party that is not also a local agency or the State of California Local Agency Investment Fund.

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<sup>1</sup> For the period from January 1, 1996, through December 31, 1996, counties are eligible for reimbursement for the costs incurred to carry out this activity.

<sup>2</sup> Government Code section 53630, subdivision (a), defines "local agency" as "county, city, city and county, including a chartered city or county, a community college district, or other public agency or corporation in this state."

4. Providing required copies of the most recent statement(s) received by a local agency<sup>3</sup> from the Local Agency Investment Fund, the Federal Deposit Insurance Corporation-insured accounts in a bank or savings and loan association, a county investment pool, or any combination of these. [Unit Cost Per Page]
  5. Determining if, on the last day of each quarter, the portfolio complies with the statement of investment policy, and providing an explanation if the portfolio does not comply. (Gov. Code, § 53646, subd. (b) (2).)
- b. Compiling the cash flow information necessary to provide a statement, and any required explanation, denoting the local agency's ability to meet its pool's expenditure requirements for the next six months. Cash flow information needed to provide this statement includes forecasted expenditure requirements and non-investment revenue, plus investment revenue anticipated from securities held at the end of the quarter (Gov. Code, § 53636, subd. (b)(3).).
  - c. Automated Systems. The use of specialized software for compiling information required in the quarterly reports of investments is reimbursable. However, if the specialized software is used for other purposes, only the pro rata cost of the software, including licensing agreement, that is *directly related* to the reimbursable activities specified above, may be claimed under Materials and Supplies and/or Contracted Services.
3. Non-Reimbursable Activities
- The following activities are not reimbursable:
- a. Duplicate entry of investment transactions<sup>4</sup> into custodian bank records or other databases.
  - b. Producing and presenting reports of transactions related to securities not held at the end of a quarter.
  - c. Determining if investment transactions related to securities not held at the end of the quarter comply with the investment policy.
  - d. Accumulating and compiling data necessary to prepare the monthly reports of investment transactions pursuant to Government Code section 53607, or any other monthly investment reports.

## V. CLAIM PREPARATION AND SUBMISSION

Each of the following cost elements must be identified for each reimbursable activity identified in Section IV, Reimbursable Activities, of this document. Each claimed reimbursable cost must be supported by source documentation as described in Section IV. Additionally, each reimbursement claim must be filed in a timely manner.

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<sup>3</sup> Ibid.

<sup>4</sup> Type of investment and issuer, date of maturity, and par and dollar amount invested. (Gov. Code, § 53646, subd. (b).)

## A. Direct Cost Reporting

Direct costs are those costs incurred specifically for the reimbursable activities. The following direct costs are eligible for reimbursement.

### 1. Salaries and Benefits

Report each employee implementing the reimbursable activities by name, job classification, and productive hourly rate (total wages and related benefits divided by productive hours). Describe the specific reimbursable activities performed and the hours devoted to each reimbursable activity performed.

### 2. Materials and Supplies

Report the cost of materials and supplies that have been consumed or expended for the purpose of the reimbursable activities. Purchases shall be claimed at the actual price after deducting discounts, rebates, and allowances received by the claimant. Supplies that are withdrawn from inventory shall be charged on an appropriate and recognized method of costing, consistently applied.

### 3. Contracted Services

Report the name of the contractor and services performed to implement the reimbursable activities. Attach a copy of the contract to the claim. If the contractor bills for time and materials, report the number of hours spent on the activities and all costs charged. If the contract is a fixed price, report the dates when services were performed and itemize all costs for those services.

### 4. Fixed Assets and Equipment

Report the purchase price paid for fixed assets and equipment (including computers) necessary to implement the reimbursable activities. The purchase price includes taxes, delivery costs, and installation costs. If the fixed asset or equipment is also used for purposes other than the reimbursable activities, only the pro-rata portion of the purchase price used to implement the reimbursable activities can be claimed.

### 5. Travel

Report the name of the employee traveling for the purpose of the reimbursable activities. Include the date of travel, destination point, the specific reimbursable activity requiring travel, and related travel expenses reimbursed to the employee in compliance with the rules of the local jurisdiction. Report employee travel time according to the rules of cost element A.1, Salaries and Benefits, for each applicable reimbursable activity.

### 6. Training

Report the cost of training an employee to perform the reimbursable activities, as specified in Section IV of this document. Report the name and job classification of each employee preparing for, attending, and/or conducting training necessary to implement the reimbursable activities. Provide the title, subject, and purpose (related to the mandate of the training session), dates attended, and location. If the training encompasses subjects broader than the reimbursable activities, only the pro-rata portion can be claimed. Report employee training time for each applicable reimbursable activity



according to the rules of cost element A.1, Salaries and Benefits, and A.2, Materials and Supplies. Report the cost of consultants who conduct the training according to the rules of cost element A.3, Contracted Services.

#### B. Indirect Cost Rates

Indirect costs are costs that have been incurred for common or joint purposes. These costs benefit more than one cost objective and cannot be readily identified with a particular final cost objective without effort disproportionate to the results achieved. After direct costs have been determined and assigned to other activities, as appropriate, indirect costs are those remaining to be allocated to benefited cost objectives. A cost may not be allocated as an indirect cost if any other cost incurred for the same purpose, in like circumstances, has been claimed as a direct cost.

Indirect costs include: (a) the indirect costs originating in each department or agency of the governmental unit carrying out state mandated programs, and (b) the costs of central governmental services distributed through the central service cost allocation plan and not otherwise treated as direct costs.

1. School districts must use the J-380 (or subsequent replacement) non-restrictive indirect cost rate provisionally approved by the California Department of Education.
2. County offices of education must use the J-580 (or subsequent replacement) non-restrictive indirect cost rate provisionally approved by the California Department of Education.
3. Community colleges have the option of using (1) a federally approved rate, using the cost accounting principles from the OMB Circular A-21 "Cost Principles of Educational Institutions", (2) the rate calculated on State Controller's Form FAM-29C; or (3) a 7% indirect cost rate.
4. Counties, Cities and Special Districts

Claimants have the option of using 10% of direct labor, excluding fringe benefits, or preparing an Indirect Cost Rate Proposal (ICRP) if the indirect cost rate claimed exceeds 10%.

If the claimant chooses to prepare an ICRP, both the direct costs (as defined and described in OMB Circular A-87 Attachment A and B) and the indirect costs shall exclude capital expenditures and unallowable costs (as defined and described in OMB Circular A-87 Attachments A and B). However, unallowable costs must be included in the direct costs if they represent activities to which indirect costs are properly allocable.

The distribution base may be (1) total direct costs (excluding capital expenditures and other distorting items, such as pass-through funds, major subcontracts, etc.), (2) direct salaries and wages, or (3) another base which results in an equitable distribution.

In calculating an ICRP, the Claimant shall have the choice of one of the two following methodologies:

- a. The allocation of allowable indirect costs (as defined and described in OMB Circular A-87 Attachments A and B) shall be accomplished by (1) classifying a department's total costs for the base period as either direct or indirect, and (2) dividing the total allowable indirect costs (net of applicable credits) by an equitable distribution base. The result of this process is an indirect cost rate which is used to distribute indirect costs to mandates.

The rate should be expressed as a percentage which the total amount allowable indirect costs bears to the base selected.

- b. The allocation of allowable indirect costs (as defined and described in OMB Circular A-87 Attachment A and B) shall be accomplished by (1) separating a department into groups, such as divisions or sections, and then classifying the division's or section's total costs for the base period as either direct or indirect, and (2) dividing the total allowable indirect costs (net of applicable credits) by an equitable distribution base. The result of this process is an indirect cost rate which is used to distribute indirect costs to mandates. The rate should be expressed as a percentage which the total amount allowable indirect costs bears to the base selected.

## **VI. RECORD RETENTION**

Pursuant to Government Code section 17558.5, subdivision (a), a reimbursement claim for actual costs filed by a local agency or school district pursuant to this chapter<sup>5</sup> is subject to the initiation of an audit by the Controller no later than three years after the date that the actual reimbursement claim is filed or last amended, whichever is later. However, if no funds are appropriated or no payment is made to a claimant for the program for the fiscal year for which the claim is filed, the time for the Controller to initiate an audit shall commence to run from the date of initial payment of the claim. All documents used to support the reimbursable activities, as described in Section IV, must be retained during the period subject to audit. If an audit has been initiated by the Controller during the period subject to audit, the retention period is extended until the ultimate resolution of any audit findings.

## **VII. OFFSETTING SAVINGS AND REIMBURSEMENTS**

Any offsetting savings the claimant experiences in the same program as a result of the same statutes or executive orders found to contain the mandate shall be deducted from the costs claimed. In addition, reimbursement for this mandate from any source, including but not limited to, services fees collected, federal funds, and other state funds, shall be identified and deducted from this claim. Service fees collected include cost reimbursements received by counties pursuant to Government Code sections 27135, 27013 and 53684, subdivision (b).

## **VIII. STATE CONTROLLER'S CLAIMING INSTRUCTIONS**

Pursuant to Government Code section 17558, subdivision (b), the Controller shall issue claiming instructions for each mandate that requires state reimbursement not later than 60 days after receiving the adopted parameters and guidelines from the Commission, to assist local agencies and school districts in claiming costs to be reimbursed. The claiming instructions shall be derived from the statute or executive order creating the mandate and the parameters and guidelines adopted by the Commission.

Pursuant to Government Code section 17561, subdivision (d)(1), issuance of the claiming instructions shall constitute a notice of the right of the local agencies and school districts to file reimbursement claims, based upon parameters and guidelines adopted by the Commission.

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<sup>5</sup> This refers to Title 2, division 4, part 7, chapter 4 of the Government Code.

## **IX. REMEDIES BEFORE THE COMMISSION**

Upon request of a local agency or school district, the Commission shall review the claiming instructions issued by the State Controller or any other authorized state agency for reimbursement of mandated costs pursuant to Government Code section 17571. If the Commission determines that the claiming instructions do not conform to the parameters and guidelines, the Commission shall direct the Controller to modify the claiming instructions and the Controller shall modify the claiming instructions to conform to the parameters and guidelines as directed by the Commission.

In addition, requests may be made to amend parameters and guidelines pursuant to Government Code section 17557, subdivision (a), and California Code of Regulations, title 2, section 1183.2.

CLAIM FOR PAYMENT Pursuant to Government Code Section 17561 INVESTMENT REPORTS			For State Controller Use Only		Program <b>235</b>		
(01) Claimant Identification Number			(19) Program Number 00235		235		
(02) Claimant Name			(20) Date Filed ____/____/____				
County of Location			(21) LRS Input ____/____/____				
Street Address or P.O. Box Suite			(22) INR-1, (03)				
City State Zip Code			(23) INR-1, (04)(1)(f)				
			(24) INR-1, (04)(2)(f)				
			(25) INR-1, (06)				
<b>Type of Claim</b>		<b>Estimated Claim</b>		<b>Reimbursement Claim</b>		<b>Reimbursement Claim Data</b>	
(03) Estimated <input type="checkbox"/>		(09) Reimbursement <input type="checkbox"/>		(26) INR-1, (07)			
(04) Combined <input type="checkbox"/>		(10) Combined <input type="checkbox"/>		(27) INR-1, (09)			
(05) Amended <input type="checkbox"/>		(11) Amended <input type="checkbox"/>		(28) INR-1, (10)			
				(29)			
<b>Fiscal Year of Cost</b>		(06) <b>20__ / 20__</b>		(12) <b>20__ / 20__</b>		(30)	
<b>Total Claimed Amount</b>		(07)		(13)		(31)	
Less: <b>10% Late Penalty, not to exceed \$1,000</b>				(14)		(32)	
Less: <b>Prior Claim Payment Received</b>				(15)		(33)	
<b>Net Claimed Amount</b>				(16)		(34)	
<b>Due from State</b>		(08)		(17)		(35)	
<b>Due to State</b>				(18)		(36)	
<b>(37) CERTIFICATION OF CLAIM</b>  In accordance with the provisions of Government Code Section 17561, I certify that I am the officer authorized by the community college district to file mandated cost claims with the State of California for this program, and certify under penalty of perjury that I have not violated any of the provisions of Government Code Sections 1090 to 1098, inclusive.  I further certify that there was no application other than from the claimant, nor any grant or payment received, for reimbursement of costs claimed herein, and such costs are for a new program or increased level of services of an existing program. All offsetting savings and reimbursements set forth in the Parameters and Guidelines are identified, and all costs claimed are supported by source documentation currently maintained by the claimant.  The amounts for this Estimated Claim and/or Reimbursement Claim are hereby claimed from the State for payment of estimated and/or actual costs set forth on the attached statements. I certify under penalty of perjury under the laws of the State of California that the foregoing is true and correct.  <div style="display: flex; justify-content: space-between;"> <div style="width: 60%;">Signature of Authorized Officer</div> <div style="width: 40%;">Date</div> </div> <div style="display: flex; justify-content: space-between; margin-top: 20px;"> <div style="width: 60%;">Type or Print Name</div> <div style="width: 40%;">Title</div> </div> <div style="display: flex; justify-content: space-between; margin-top: 10px;"> <div style="width: 45%;">(38) Name of Contact Person for Claim</div> <div style="width: 10%;">Telephone Number</div> <div style="width: 10%;">( ) -</div> <div style="width: 35%;">Ext.</div> </div> <div style="display: flex; justify-content: space-between; margin-top: 10px;"> <div style="width: 45%;">E-Mail Address</div> <div style="width: 55%;"></div> </div>							

<b>Program</b> <b>235</b>	<b>INVESTMENT REPORTS</b> <b>Certification Claim Form</b> <b>Instructions</b>	<b>FORM</b> <b>FAM-27</b>
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- (01) Enter the payee number assigned by the State Controller's Office..
- (02) Enter your Official Name, County of Location, Street or P. O. Box address, City, State, and Zip Code.
- (03) If filing an estimated claim, enter an "X" in the box on line (03) Estimated.
- (04) Leave blank.
- (05) If filing an amended estimated claim, enter an "X" in the box on line (05) Amended.
- (06) Enter the fiscal year in which costs are to be incurred.
- (07) Enter the amount of the estimated claim. If the estimate exceeds the previous year's actual costs by more than 10%, complete form INR-1 and enter the amount from line (11).
- (08) Enter the same amount as shown on line (07).
- (09) If filing a reimbursement claim, enter an "X" in the box on line (09) Reimbursement.
- (10) Leave blank.
- (11) If filing an amended reimbursement claim, enter an "X " in the box on line (11) Amended.
- (12) Enter the fiscal year for which actual costs are being claimed. If actual costs for more than one fiscal year are being claimed, complete a separate form FAM-27 for each fiscal year.
- (13) Enter the amount of the reimbursement claim from form INR-1, line (11). The total claimed amount must exceed \$1,000.
- (14) **Filing Deadline. Initial Claims of Ch. 783/95 et seq.** If the reimbursement claims for fiscal years 1999-00 through 2001-02 and estimated claims for 2002-03 are filed after **September 9, 2003**, the claims must be reduced by a late penalty. Costs for all initial reimbursement claims must be filed separately to the fiscal year in which the costs were incurred. Reimbursement claims must be filed by January 15 of the following fiscal year in which costs are incurred or the claims shall be reduced by a late penalty. Enter zero if the claim was timely filed, otherwise, enter the product of multiplying line (13) by the factor 0.10 (10% penalty), or \$1,000, whichever is less.
- (15) If filing a reimbursement claim and a claim was previously filed for the same fiscal year, enter the amount received for the claim. Otherwise, enter a zero.
- (16) Enter the result of subtracting line (14) and line (15) from line (13).
- (17) If line (16), Net Claimed Amount, is positive, enter that amount on line (17), Due from State.
- (18) If line (16), Net Claimed Amount, is negative, enter that amount on line (18), Due to State.
- (19) to (21) Leave blank.
- (22) to (36) Reimbursement Claim Data. Bring forward the cost information as specified on the left-hand column of lines (22) through (36) for the reimbursement claim, e.g., INR-1, (04)(1)(f), means the information is located on form INR-1, block (04), line (1), column (f). Enter the information on the same line but in the right-hand column. Cost information should be rounded to the nearest dollar, i.e., no cents. Indirect costs percentage should be shown as a whole number and without the percent symbol, i.e., 7.548% should be shown as 8. **Completion of this data block will expedite the payment process.**
- (37) Read the statement "Certification of Claim." If it is true, the claim must be dated, signed by the agency's authorized officer, and must include the person's name and title, typed or printed. **Claims cannot be paid unless accompanied by an original signed certification. (To expedite the payment process, please sign the form FAM-27 with blue ink, and attach a copy of the form FAM-27 to the top of the claim package.)**
- (38) Enter the name, telephone number, and e-mail address of the person to contact if additional information is required.

**SUBMIT A SIGNED ORIGINAL, AND A COPY OF FORM FAM-27, WITH ALL OTHER FORMS AND SUPPORTING DOCUMENTS TO:**

**Address, if delivered by U.S. Postal Service:**

**OFFICE OF THE STATE CONTROLLER  
 ATTN: Local Reimbursements Section  
 Division of Accounting and Reporting  
 P.O. Box 942850  
 Sacramento, CA 94250**

**Address, if delivered by other delivery service:**

**OFFICE OF THE STATE CONTROLLER  
 ATTN: Local Reimbursements Section  
 Division of Accounting and Reporting  
 3301 C Street, Suite 500  
 Sacramento, CA 95816**

<b>Program</b> <b>235</b>	<b>MANDATED COSTS</b> <b>INVESTMENT REPORTS</b> <b>CLAIM SUMMARY</b>						<b>FORM</b> <b>INR-1</b>
(01) Claimant				(02) Type of Claim		Fiscal Year	
				Reimbursement <input type="checkbox"/>			
				Estimated <input type="checkbox"/>		20__ / 20__	
<b>Claim Statistics</b>							
(03) Number of investment reports prepared during the fiscal year							
<b>Object Accounts</b>							
(04) Reimbursable Components	(a) Salaries and Benefits	(b) Materials and Supplies	(c) Training and Travel	(d) Contract Services	(e) Fixed Assets	(f) Total	
1. Statement of Investment Policy							
2. Quarterly Report of Investments							
(05) Total Direct Costs							
<b>Indirect Costs</b>							
(06) Indirect Cost Rate						[Federally approved OMB A-21, FAM-29C, or 7%]	%
(07) Total Indirect Costs						[Line (06) x line (05)(a)]	
(08) Total Direct and Indirect Costs						[Line (05)(f) + line (07)]	
<b>Cost Reduction</b>							
(09) Less: Offsetting Savings, if applicable							
(10) Less: Other Reimbursements, if applicable							
(11) Total Claimed Amount						[Line (08) - {(line (09) + line (10))}]	

<b>Program</b> <b>235</b>	<b>INVESTMENT REPORTS</b> <b>CLAIM SUMMARY</b> <b>Instructions</b>	<b>FORM</b> <b>INR-1</b>
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- (01) Enter the name of the claimant. If more than one department has incurred costs for this mandate, give the name of each department. A form INR-1 should be completed for each department.
- (02) Type of Claim. Check a box, Reimbursement or Estimated, to identify the type of claim being filed. Enter the fiscal year of costs.
- Form INR-1 must be filed for a reimbursement claim. Do not complete form INR-1 if you are filing an estimated claim and the estimate does not exceed the previous fiscal year's actual costs by more than 10%. Simply enter the amount of the estimated claim on form FAM-27, line (07). However, if the estimated claim exceeds the previous fiscal year's actual costs by more than 10%, form INR-1 must be completed and a statement attached explaining the increased costs. Without this information the high estimated claim will automatically be reduced to 110% of the previous fiscal year's actual costs.
- (03) Enter the number of investment reports that were prepared during the fiscal year.
- (04) For each reimbursable component, enter the total from form INR-2, line (05), columns (d), (e), (f), (g), and (h) to form INR-1, block (04), columns (a), (b), (c), (d), and (e) in the appropriate row. Total each row.
- (05) Total columns (a) through (f).
- (06) Community college districts may use the federally approved OMBA-21 rate, the rate computed using form FAM 29C, or a 7% indirect cost rate, for the fiscal year of costs.
- (07) Enter the result of multiplying the Indirect Cost Rate, line (06), by the Total Salaries and Benefits, line (05)(a).
- (08) Enter the sum of Total Direct Costs, line (05)(f), and Total Indirect Costs, line (07).
- (09) If applicable, enter the total savings experienced by the claimant as a direct result of this mandate. Submit a detailed schedule of savings with the claim.
- (10) If applicable, enter the amount of other reimbursements received from any source including, but not limited to, service fees collected, federal funds, and other state funds, which reimbursed any portion of the mandated cost program. Submit a schedule detailing the reimbursement sources and amounts.
- (11) Subtract the sum of Offsetting Savings, line (09), and Other Reimbursements, line (10), from Total Direct and Indirect Costs, line (08). Enter the remainder on this line and carry the amount forward to form FAM-27, line (07) for the Estimated Claim or line (13) for the Reimbursement Claim.

<b>Program</b> <b>235</b>	<b>MANDATED COSTS</b> <b>INVESTMENT REPORTS</b> <b>COMPONENT/ACTIVITY COST DETAIL</b>	<b>FORM</b> <b>INR-2</b>
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(01) Claimant

(02) Fiscal Year Costs Were Incurred

(03) Reimbursable Components: Check only **one** box per form to identify the component being claimed.☐

Statement of Investment Policy

☐

Quarterly Report of Investments

(04) Description of Expenses: Complete columns (a) through (h).

**Object Accounts**

(a) Employee Names, Job Classifications, Functions Performed, and Description of Expenses	(b) Hourly Rate or Unit Cost	(c) Hours Worked or Quantity	(d) Salaries and Benefits	(e) Materials and Supplies	(f) Training and Travel	(g) Contract Services	(h) Fixed Assets
(05) Total <input type="checkbox"/> Subtotal <input type="checkbox"/> Page: ____ of ____							



<b>Program</b>  <b>235</b>	<b>INVESTMENT REPORTS</b>  <b>COMPONENT/ACTIVITY COST DETAIL</b>  <b>Instructions</b>	<b>FORM</b>  <b>INR-2</b>
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- (01) Enter the name of the claimant.
- (02) Enter the fiscal year for which costs were incurred.
- (03) Reimbursable Components. Check the box which indicates the cost component being claimed. Check only one box per form. A separate form INR-2 shall be prepared for each applicable component.
- (04) Description of Expenses. The following table identifies the type of information required to support reimbursable costs. To detail costs for the component activity box "checked" in block (03), enter the employee names, position titles, a brief description of the activities performed, actual time spent by each employee, productive hourly rates, fringe benefits, supplies used, contract services, training costs, etc. Contract services are reimbursable to the extent that the activities performed require special skill or knowledge that are not readily available from the claimant's staff. If equipment or specialized software required for the quarterly report is acquired and is also utilized for other programs, only the prorated cost of the expense is reimbursable. **The descriptions required in column (4)(a) must be of sufficient detail to explain the cost of activities or items being claimed.** For audit purposes, all supporting documents must be retained by the claimant for a period of not less than three years after the date the claim was filed or last amended, whichever is later. If no funds were appropriated and no payment was made at the time the claim was filed, the time for the Controller to initiate an audit shall be from the date of initial payment of the claim. Such documents shall be made available to the State Controller's Office on request.

Object/ Sub object Accounts	Columns								Submit these supporting documents with the claim
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	
<b>Salaries</b>	Employee Name	Hourly Rate	Hours Worked	Salaries = Hourly Rate x Hours Worked					
<b>Benefits</b>	Title	Benefit Rate		Benefits = Benefit Rate x Salaries					
	Activities								
<b>Materials and Supplies</b>	Description Of Materials, Specialized Software and Supplies Used	Unit Cost	Quantity Used		Cost = Unit Cost x Quantity Used				
<b>Travel and Training</b>	Purpose of Trip	Per Diem Rate	Days						
	Name and Title	Mileage Rate	Miles						
	Departure and Return Date	Travel Cost	Travel Mode			Cost = Rate x Days or Miles or Total Travel Cost			
	Employee Name/ Title		Dates Attended			Registration Fee			
	Name of Class								
<b>Contract Services</b>	Name of Contractor	Hourly Rate	Hours Worked				Cost = Hourly Rate x Hours Worked		Copy of Contract
	Specific Tasks Performed		Dates of Service						
<b>Fixed Assets</b>	Description of Equipment Purchased	Unit Cost	Quantity Used					Cost = Unit Cost x Quantity Used	
	Equipment ID								

- (05) Total line (04), columns (d), (e), (f), (g), and (h) and enter the sum on this line. Check the appropriate box to indicate if the amount is a total or subtotal. If more than one form is needed to detail the component/activity costs, number each page. Enter totals from line (05), columns (d), (e), (f), (g), and (h) to form INR-1, block (04), columns (a), (b), (c), (d), and (e) in the appropriate row.

OFFICE OF THE STATE CONTROLLER  
STATE MANDATED COSTS CLAIMING INSTRUCTIONS NO. 2002-05  
LAW ENFORCEMENT COLLEGE JURISDICTION AGREEMENTS

In accordance with Government Code (GC) Section 17561, eligible claimants may submit claims to the State Controller's Office (SCO) for reimbursement of costs incurred for state mandated cost programs. The following are claiming instructions and forms that eligible claimants will use for the filing of claims for the Law Enforcement College Jurisdiction Agreements program. These claiming instructions are issued subsequent to adoption of the program's parameters and guidelines (P's & G's) by the Commission on State Mandates (COSM).

Education Code Section 67381, as added by Chapter 284, Statutes of 1998, requires law enforcement agencies of all public colleges and universities and some independent post secondary institutions to enter into written agreements with local law enforcement agencies delineating their respective geographical boundaries for investigating certain violent crimes on campuses. § 67381 further requires the agreements to be posted for public viewing and a copy to be transmitted to the Legislative Analyst.

On April 26, 2001, the COSM determined that Chapter 284/98, establishes costs mandated by the State according to the provisions listed in the attached P's & G's. For your reference, the P's & G's are included as an integral part of the claiming instructions.

### **Eligible Claimants**

Any community college or joint powers authority between community colleges that incurs increased costs as a direct result of this mandate is eligible to claim reimbursement of these costs.

### **Filing Deadlines**

#### **A. Reimbursement Claims**

Reimbursement claims must be filed within 120 days from the issuance date of claiming instructions. Costs incurred in implementing the provisions of this program are reimbursable for the period January 1, 1999, through June 30, 1999, and fiscal years 1999-00, and 2000-01 and must be filed with the SCO and be delivered or postmarked on or before **August 6, 2002**. Estimated claims for 2001-02 fiscal year must also be delivered or postmarked on or before **August 6, 2002**. Thereafter, having received payment for an estimated claim, the claimant must file an annual reimbursement claim by January 15 of the following fiscal year. Claims filed after the deadline will be reduced by a late penalty of 10%, not to exceed \$1,000.

In order for a claim to be considered properly filed, it must include any specific supporting documentation requested in the instructions. **Claims filed more than one year after the deadline will not be accepted.**

## **B. Estimated Claims**

Unless otherwise specified in the claiming instructions, school districts are not required to provide cost schedules and supporting documents with an estimated claim if the estimated amount does not exceed the previous fiscal year's actual costs by more than 10%. Claimants can simply enter the estimated amount on form FAM-27, line (07). However, if the estimated claim exceeds the previous fiscal year's actual costs by more than 10%, claimants must complete supplemental claim forms to support their estimated costs as specified for the program to explain the reason for the increased costs. If no explanation supporting the higher estimate is provided with the claim, it will automatically be adjusted to 110% of the previous fiscal year's actual costs. Future estimated claims filed with the SCO must be postmarked by January 15 of the fiscal year in which costs will be incurred. Claims filed timely will be paid before late claims.

### **Minimum Claim Cost**

GC Section 17564 provides that no claim shall be filed pursuant to Sections 17551 and 17561, unless such a claim exceeds two hundred dollars (\$200), provided that a county superintendent of schools or county may submit a combined claim on behalf of school districts, direct service districts, or special districts within their county if the combined claim exceeds \$200, even if the individual school district's, direct service district's, or special district's claims do not each exceed \$200. The county superintendent of schools or the county shall determine if the submission of the combined claim is economically feasible and shall be responsible for disbursing the funds to each school, direct service, or special district. These combined claims may be filed only when the county superintendent of schools or the county is the fiscal agent for the districts. A combined claim must show the individual claim costs for each eligible district. All subsequent claims based upon the same mandate shall only be filed in the combined form unless a school district, direct service district, or special district provides to the county superintendent of schools or county and to the SCO, at least 180 days prior to the deadline for filing the claim, a written notice of its intent to file a separate claim.

### **Reimbursement of Claims**

Initial reimbursement claims will only be reimbursed to the extent that expenditures can be supported and, if such information is unavailable, claims will be reduced. In addition, ongoing reimbursement claims must be supported by documentation as evidence of the expenditures. Examples of documentation may include, but are not limited to, employee time records that identify mandate activities, payroll records, invoices, receipts, contracts, travel expense vouchers, purchase orders, and caseload statistics.

### **Audit of Costs**

All claims submitted to the SCO are reviewed to determine if costs are related to the mandate, are reasonable and not excessive, and the claim was prepared in accordance with the P's & G's adopted by the COSM. If any adjustments are made to a claim, a "Notice of Claim Adjustment" specifying the claim component adjusted, the amount adjusted, and the reason for the adjustment, will be mailed within 30 days after payment of the claim.

On-site audits will be conducted by the SCO as deemed necessary. Accordingly, all documentation to support actual costs claimed must be retained for a period of two years after

the end of the calendar year in which the reimbursement claim was filed or amended regardless of the year of costs incurred. When no funds are appropriated for initial claims at the time the claim is filed, supporting documents must be retained for two years from the date of initial payment of the claim. Claim documentation shall be made available to the SCO on request.

### **Retention of Claiming Instructions**

The claiming instructions and forms in this package should be retained permanently in your Mandated Cost Manual for future reference and use in filing claims. These forms should be duplicated to meet your filing requirements. You will be notified of updated forms or changes to claiming instructions as necessary.

For your reference, these and future mandated costs claiming instructions and forms can be found on the Internet at **[www.sco.ca.gov/ard/local/locreim/index.htm](http://www.sco.ca.gov/ard/local/locreim/index.htm)**.

### **Address for Filing Claims**

Submit a signed, original form FAM-27, Claim for Payment, and all other forms and supporting documents (no copies necessary) to:

If delivered by  
U.S. Postal Service:

Office of the State Controller  
Attn: Local Reimbursements Section  
Division of Accounting and Reporting  
P.O. Box 942850  
Sacramento, CA 94250

If delivered by  
Other delivery services:

Office of the State Controller  
Attn: Local Reimbursements Section  
Division of Accounting and Reporting  
3301 C Street, Suite 500  
Sacramento, CA 95816

## **Parameters and Guidelines**

Education Code Section 67381

Statutes of 1998, Chapter 284

### *Law Enforcement College Jurisdiction Agreements*

#### **I. SUMMARY OF THE MANDATE**

Education Code section 67381 requires law enforcement agencies of all public colleges and universities and some independent postsecondary institutions to enter into written agreements with local law enforcement agencies delineating their respective geographical boundaries for investigating certain violent crimes on campuses. The section further requires the agreements to be posted for public viewing and a copy to be transmitted to the Legislative Analyst.

On April 26, 2001, the Commission on State Mandates (Commission) adopted the Statement of Decision for *Law Enforcement College Jurisdiction Agreements* (98-TC-20, formerly *Campus Safety Plans*.) The Commission found that Education Code section 67381 constitutes a new program or higher level of service and imposes costs mandated by the state within the meaning of article XIII B, section 6 of the California Constitution and Government Code section 17514. Accordingly, the Commission approved this test claim for the following reimbursable activities:

1. Preparing the written agreements, or
2. Reviewing and modifying existing agreements to conform with section 67381, and
3. Placing these written agreements in a place of public viewing and transmitting them to the Legislative Analyst.

The Commission further found that that the activity of community colleges being responsible for their own costs of investigating crimes and incidents on campuses does not constitute a reimbursable state mandate.

#### **II. ELIGIBLE CLAIMANTS**

Any community college, or joint powers authority between community colleges, which incurs increased costs as a result of this mandate is eligible to claim reimbursement.

#### **III. PERIOD OF REIMBURSEMENT**

The test claim for this mandate was submitted on June 25, 1999. Therefore, pursuant to Government Code section 17557, all mandated costs incurred on or after January 1, 1999, which is the effective date of Statutes of 1998, chapter 284, are reimbursable.

Actual costs for one fiscal year should be included in each claim. Estimated costs for the subsequent year may be included on the same claim, if applicable. Pursuant to Government Code section 17551, subdivision (d)(1), all claims for reimbursement of initial years' costs shall be submitted within 120 days of release of claiming instructions by the State Controller.

If the total costs for a given fiscal year do not exceed \$200, no reimbursement shall be allowed, except as otherwise provided for by Government Code section 17564.

#### **IV. REIMBURSABLE ACTIVITIES**

For each eligible claimant, the following activities are eligible for reimbursement:

##### **A. Written Agreements**

For campus law enforcement agencies to enter into written agreements with local law enforcement agencies, to designate which law enforcement agency shall have operational responsibility for the investigation of each Part I violent crime<sup>1</sup> occurring on each campus and delineate the specific geographical boundaries of each agency's operational responsibility, including maps as necessary.

If a campus law enforcement agency already has a written agreement, to review and modify the existing agreement to conform to Education Code section 67381.

##### **B. Public Viewing**

For the community college to make the written agreements available for public viewing.

##### **C. State Reporting**

For the community college to transmit a copy of each written agreement it has entered into, and any other information it deems pertinent to the implementation of the agreement, to the Legislative Analyst.

The activity of community colleges being responsible for their own costs of investigating crimes and incidents on campuses is not reimbursable.

##### **D. Training**

To train staff on implementing the reimbursable activities listed in section IV, activities A through C, of these parameters and guidelines. (One-time activity for each employee.)

#### **V. CLAIM PREPARATION AND SUBMISSION**

Each claim for reimbursement pursuant to this mandate must be timely filed and identify each of the following cost elements to each reimbursable activity identified in Section IV of this document.

##### **A. Direct Cost Reporting**

Direct costs are those costs incurred specifically for the reimbursable activities. Direct costs that are eligible for reimbursement are:

###### **1. Salaries and Benefits**

Report each employee implementing the reimbursable activities by name, job classification, and productive hourly rate (total wages and related benefits divided by productive hours). Describe the specific reimbursable activities performed and the hours devoted to each reimbursable activity performed.

###### **2. Materials and Supplies**

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<sup>1</sup> Per Education Code section 67381, subdivision (i), "Part 1 violent crimes" means willful homicide, forcible rape, robbery, and aggravated assault, as defined in the Uniform Crime Reporting Handbook of the Federal Bureau of Investigation.

Report the cost of materials and supplies that have been consumed or expended for the purpose of the reimbursable activities. Purchases shall be claimed at the actual price after deducting discounts, rebates, and allowances received by the claimant. Supplies that are withdrawn from inventory shall be charged on an appropriate and recognized method of costing, consistently applied.

3. Contracted Services

Report the name of the contractor and services performed to implement the reimbursable activities. Attach a copy of the contract to the claim. If the contractor bills for time and materials, report the number of hours spent on the activities and all costs charged. If the contract is a fixed price, report the dates when services were performed and itemize all costs for those services.

4. Fixed Assets and Equipment

Report the purchase price paid for fixed assets and equipment (including computers) necessary to implement the reimbursable activities. The purchase price includes taxes, delivery costs, and installation costs. If the fixed asset or equipment is also used for purposes other than the reimbursable activities, only the pro-rata portion of the purchase price used to implement the reimbursable activities can be claimed.

5. Travel

Report the name of the employee traveling for the purpose of the reimbursable activities. Include the date of travel, destination point, the specific reimbursable activity requiring travel, and related travel expenses reimbursed to the employee in compliance with the rules of the local jurisdiction. Report employee travel time according to the rules of cost element A.1, Salaries and Benefits, for each applicable reimbursable activity.

6. Training

Report the cost of training an employee to perform the reimbursable activities, as specified in Section IV of this document. Report the name and job classification of each employee preparing for, attending, and/or conducting training necessary to implement the reimbursable activities. Provide the title, subject, and purpose (related to the mandate of the training session), dates attended, and location. If the training encompasses subjects broader than the reimbursable activities, only the pro-rata portion can be claimed. Report employee training time for each reimbursable activity according to the rules of cost element A.1, Salaries and Benefits, and A.2, Materials and Supplies. Report the cost of consultants who conduct the training according to the rules of cost element A.3, Contracted Services.

## B. Indirect Cost Rates

Indirect costs are costs that have been incurred for common or joint purposes. These costs benefit more than one cost objective and cannot be readily identified with a particular final cost objective without effort disproportionate to the results achieved. After direct costs have been determined and assigned to other activities, as appropriate, indirect costs are those remaining to be allocated to benefited cost objectives. A cost may not be allocated as an indirect cost if any other cost incurred for the same purpose, in like circumstances, has been claimed as a direct cost.

Indirect costs include: (a) the indirect costs originating in each department or agency of the governmental unit carrying out state mandated programs, and (b) the costs of central governmental services distributed through the central service cost allocation plan and not otherwise treated as direct costs.

Community colleges have the option of using: (1) a federally approved rate, utilizing the cost accounting principles from the Office of Management and Budget Circular A-21, "Cost Principles of Educational Institutions"; (2) the rate calculated on State Controller's Form FAM-29C; or (3) a 7% indirect cost rate.

## VI. SUPPORTING DATA

### A. Source Documents

For auditing purposes, all incurred costs claimed must be traceable to source documents that show evidence of the validity and relationship to the reimbursable activities. Documents may include, but are not limited to, worksheets, employee time records or time logs, cost allocation reports (system generated), invoices, receipts, purchase orders, contracts, agendas, training packets with signatures and logs of attendees, calendars, declarations, and data relevant to the reimbursable activities otherwise reported in compliance with local, state, and federal government requirements.

### B. Record Keeping

Pursuant to Government Code section 17558.5, subdivision (a), a reimbursement claim for actual costs filed by a local agency or school district pursuant to this chapter is subject to audit by the State Controller no later than two years after the end of the calendar year in which the reimbursement claim is filed or last amended.\* See the State Controller's claiming instructions regarding retention of required documentation during the audit period.

## VII. OFFSETTING SAVINGS AND REIMBURSEMENTS

Any offsetting savings the claimant experiences in the same program as a result of the same statutes or executive orders found to contain the mandate shall be deducted from the costs claimed. In addition, reimbursement for this mandate received from any source, including but not limited to, service fees collected, federal funds and other state funds shall be identified and deducted from this claim.

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\* This refers to Title 2, division 4, part 7, chapter 4 of the Government Code.



#### **VIII. STATE CONTROLLER’S OFFICE REQUIRED CERTIFICATION**

An authorized representative of the claimant shall be required to provide a certification of the claim, as specified in the State Controller’s claiming instructions, for those costs mandated by the state contained herein.

#### **IX. PARAMETERS AND GUIDELINES AMENDMENTS**

Parameters and guidelines may be amended pursuant to Title 2, California Code of Regulations, section 1183.2.

CLAIM FOR PAYMENT Pursuant to Government Code Section 17561  LAW ENFORCEMENT COLLEGE JURISDICTION AGREEMENTS			For State Controller Use Only	Program  <b>212</b>
(01) Claimant Identification Number			(19) Program Number 00212 (20) Date Filed ____/____/____ (21) LRS Input ____/____/____	
(02) Claimant Name				
County of Location				
Street Address or P.O. Box Suite				
City State Zip Code				
			<b>Reimbursement Claim Data</b>	
<b>Type of Claim</b>	(03) Estimated <input type="checkbox"/>	(09) Reimbursement <input type="checkbox"/>	(22) LECJ-1, (04)(1)(f)	
	(04) Combined <input type="checkbox"/>	(10) Combined <input type="checkbox"/>	(23) LECJ-1, (04)(2)(f)	
	(05) Amended <input type="checkbox"/>	(11) Amended <input type="checkbox"/>	(24) LECJ-1, (04)(3)(f)	
			(25) LECJ-1, (04)(4)(f)	
<b>Fiscal Year of Cost</b>	(06) <b>20</b> ____/20 ____	(12) <b>20</b> ____/20 ____	(26) LECJ-1, (06)	
<b>Total Claimed Amount</b>	(07)	(13)	(27) LECJ-1, (07)	
Less: 10% Late Penalty, not to exceed \$1,000		(14)	(28) LECJ-1, (09)	
Less: Prior Claim Payment Received		(15)	(29) LECJ-1, (10)	
<b>Net Claimed Amount</b>		(16)		
<b>Due from State</b>	(08)	(17)	(30)	
<b>Due to State</b>		(18)	(31)	
<b>(37) CERTIFICATION OF CLAIM</b> <p>In accordance with the provisions of Government Code Section 17561, I certify that I am the officer authorized by the community college district to file mandated cost claims with the State of California for this program, and certify under penalty of perjury that I have not violated any of the provisions of Government Code Sections 1090 to 1098, inclusive.</p> <p>I further certify that there was no application other than from the claimant, nor any grant or payment received, for reimbursement of costs claimed herein, and such costs are for a new program or increased level of services of an existing program. All offsetting savings and reimbursements set forth in the Parameters and Guidelines are identified, and all costs claimed are supported by source documentation currently maintained by the claimant.</p> <p>The amounts for this Estimated Claim and/or Reimbursement Claim are hereby claimed from the State for payment of estimated and/or actual costs set forth on the attached statements. I certify under penalty of perjury under the laws of the the State of California that the foregoing is true and correct.</p> <div style="display: flex; justify-content: space-between; margin-top: 20px;"> <div style="width: 60%;">           Signature of Authorized Officer             _____            Type or Print Name         </div> <div style="width: 35%;">           Date             _____            Title         </div> </div> <div style="margin-top: 10px;"> <div style="display: flex; justify-content: space-between;"> <div style="width: 45%;">           (38) Name of Contact Person for Claim            _____         </div> <div style="width: 50%;">           Telephone Number (    )    -    <b>Ext.</b>    _____            E-Mail Address    _____         </div> </div> </div>				

<b>Program</b> <b>212</b>	<b>LAW ENFORCEMENT COLLEGE JURISDICTION AGREEMENTS</b> <b>Certification Claim Form</b> <b>Instructions</b>	<b>FORM</b> <b>FAM-27</b>
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- (01) Enter the payee number assigned by the State Controller's Office.
- (02) Enter your Official Name, County of Location, Street or P. O. Box address, City, State, and Zip Code.
- (03) If filing an estimated claim, enter an "X" in the box on line (03) Estimated.
- (04) Leave blank.
- (05) If filing an amended estimated claim, enter an "X" in the box on line (05) Amended.
- (06) Enter the fiscal year in which costs are to be incurred.
- (07) Enter the amount of the estimated claim. If the estimate exceeds the previous year's actual costs by more than 10%, complete form LECJ-1 and enter the amount from line (11).
- (08) Enter the same amount as shown on line (07).
- (09) If filing a reimbursement claim, enter an "X" in the box on line (09) Reimbursement.
- (10) Leave blank.
- (11) If filing an amended reimbursement claim, enter an "X" in the box on line (11) Amended.
- (12) Enter the fiscal year for which actual costs are being claimed. If actual costs for more than one fiscal year are being claimed, complete a separate form FAM-27 for each fiscal year.
- (13) Enter the amount of the reimbursement claim from form LECJ-1, line (11). The total claimed amount must exceed \$1,000.
- (14) Reimbursement claims must be filed by January 15 of the following fiscal year in which costs were incurred or the claims shall be reduced by a late penalty. Enter zero if the claim was timely filed, otherwise, enter the product of multiplying line (13) by the factor 0.10 (10% penalty), or \$1,000, whichever is less.
- (15) If filing a reimbursement claim and an estimated claim was previously filed for the same fiscal year, enter the amount received for the claim. Otherwise, enter a zero.
- (16) Enter the result of subtracting line (14) and line (15) from line (13).
- (17) If line (16), Net Claimed Amount, is positive, enter that amount on line (17), Due from State.
- (18) If line (16), Net Claimed Amount, is negative, enter that amount on line (18), Due to State.
- (19) to (21) Leave blank.
- (22) to (36) Reimbursement Claim Data. Bring forward the cost information as specified on the left-hand column of lines (22) through (36) for the reimbursement claim, e.g., LECJ-1, (04)(1)(f), means the information is located on form LECJ-1, line (04)(1), column (f). Enter the information on the same line but in the right-hand column. Cost information should be rounded to the nearest dollar, i.e., no cents. Indirect costs percentage should be shown as a whole number and without the percent symbol, i.e., 7.548% should be shown as 8. **Completion of this data block will expedite the payment process.**
- (37) Read the statement "Certification of Claim." If it is true, the claim must be dated, signed by the agency's authorized officer, and must include the person's name and title, typed or printed. **Claims cannot be paid unless accompanied by an original signed certification. (To expedite the payment process, please sign the form FAM-27 with blue ink, and attach a copy of the form FAM-27 to the top of the claim package.)**
- (38) Enter the name, telephone number, and e-mail address of the person to contact if additional information is required.

**SUBMIT A SIGNED ORIGINAL, AND A COPY OF FORM FAM-27, WITH ALL OTHER FORMS AND SUPPORTING DOCUMENTS TO:**

***Address, if delivered by U.S. Postal Service:***

**OFFICE OF THE STATE CONTROLLER  
 ATTN: Local Reimbursements Section  
 Division of Accounting and Reporting  
 P.O. Box 942850  
 Sacramento, CA 94250**

***Address, if delivered by other delivery service:***

**OFFICE OF THE STATE CONTROLLER  
 ATTN: Local Reimbursements Section  
 Division of Accounting and Reporting  
 3301 C Street, Suite 500  
 Sacramento, CA 95816**

<b>Program</b> <b>212</b>	<b>MANDATED COSTS</b> <b>LAW ENFORCEMENT COLLEGE JURISDICTION AGREEMENTS</b> <b>CLAIM SUMMARY</b>					<b>FORM</b> <b>LECJ-1</b>
(01) Claimant			(02) Type of Claim		Fiscal Year	
			Reimbursement <input type="checkbox"/>			
			Estimated <input type="checkbox"/>		19__/20__	
<b>Claim Statistics</b>						
(03) (Leave Blank)						
<b>Direct Costs</b>		<b>Object Accounts</b>				
(04)	(a)	(b)	(c)	(d)	(e)	(f)
Reimbursable Components	Salaries and Benefits	Materials and Supplies	Contract Services	Fixed Assets	Travel and Training	Total
1. Written Agreements						
2. Public Viewing						
3. State Reporting						
4. Training						
(05) Total Direct Costs						
<b>Indirect Costs</b>						
(06) Indirect Cost Rate					[Federally approved OMB A-21, FAM-29C, or 7%]	
					%	
(07) Total Indirect Costs					[Line (05)(a) x line (06)]	
(08) Total Direct and Indirect Costs					[Line (05)(f) + line (07)]	
<b>Cost Reduction</b>						
(09) Less: Offsetting Savings						
(10) Less: Other Reimbursements						
(11) Total Claimed Amount						[Line (08) - {line (09) + line (10)}]

<b>Program</b> <b>212</b>	<b>LAW ENFORCEMENT COLLEGE JURISDICTION AGREEMENTS</b> <b>CLAIM SUMMARY</b> <b>Instructions</b>	<b>FORM</b> <b>LECJ-1</b>
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- (01) Enter the name of the claimant.
- (02) Type of Claim. Check a box, Reimbursement or Estimated, to identify the type of claim being filed. Enter the fiscal year of costs.
- Form LECJ-1 must be filed for a reimbursement claim. Do not complete form LECJ-1 if you are filing an estimated claim and the estimate does not exceed the previous fiscal year's actual costs by more than 10%. Simply enter the amount of the estimated claim on form FAM-27, line (07). However, if the estimated claim exceeds the previous fiscal year's actual costs by more than 10%, form LECJ-1 must be completed and a statement attached explaining the increased costs. Without this information the estimated claim will automatically be reduced to 110% of the previous fiscal year's actual costs.
- (03) Leave blank.
- (04) Reimbursable Components. For each reimbursable component, enter the totals from form LECJ-2, line (05), columns (d) through (h), to form LECJ-1, block (04), columns (a) through (e), in the appropriate row. Total each row.
- (05) Total Direct Costs. Total columns (a) through (f).
- (06) Indirect Cost Rate. Community college districts may use the federally approved OMBA-21 rate, the rate computed using form FAM 29C, or a 7% indirect cost rate, for the fiscal year of costs.
- (07) Total Indirect Costs. Enter the result of multiplying the Indirect Cost Rate, line (06), by Total Salaries and Benefits, line (05)(a).
- (08) Total Direct and Indirect Costs. Enter the sum of the Total Direct Costs, line (05)(f), and Total Indirect Costs, line (07).
- (09) Less: Offsetting Savings. If applicable, enter the total savings experienced by the claimant as a direct result of this mandate. Submit a detailed schedule of savings with the claim.
- (10) Less: Other Reimbursements. If applicable, enter the amount of other reimbursements received from any source including, but not limited to, service fees collected, federal funds, and other state funds, which reimbursed any portion of the mandated cost program. Submit a schedule detailing the reimbursement sources and amounts.
- (11) Total Claimed Amount. From Total Direct and Indirect Costs, line (08), subtract the sum of Offsetting Savings, line (09), and Other Reimbursements, line (10). Enter the remainder on this line and carry the amount forward to form FAM-27, line (07) for the Estimated Claim or line (13) for the Reimbursement Claim.

<b>Program</b> <b>212</b>	<b>MANDATED COSTS</b> <b>LAW ENFORCEMENT COLLEGE JURISDICTION AGREEMENTS</b> <b>COMPONENT/ACTIVITY COST DETAIL</b>	<b>FORM</b> <b>LECJ-2</b>
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(01) Claimant	(02) Fiscal Year
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(03) Reimbursable Components: Check only **one** box per form to identify the component being claimed.

<input type="checkbox"/> Written Agreements	<input type="checkbox"/> Public Viewing
<input type="checkbox"/> State Reporting	<input type="checkbox"/> Training

(04) Description of Expenses	<b>Object Accounts</b>
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(a) Employee Names, Job Classifications, Functions Performed, and Description of Expenses	(b) Hourly Rate or Unit Cost	(c) Hours Worked or Quantity	(d) Salaries and Benefits	(e) Materials and Supplies	(f) Contract Services	(g) Fixed Assets	(h) Travel and Training
(05) Total <input type="checkbox"/> Subtotal <input type="checkbox"/> Page: ____ of ____							

<b>Program</b> <b>212</b>	<b>LAW ENFORCEMENT COLLEGE JURISDICTION AGREEMENTS</b> <b>COMPONENT/ACTIVITY COST DETAIL</b> <b>Instructions</b>	<b>FORM</b> <b>LECJ-2</b>
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- (01) Claimant. Enter the name of the claimant. If more than one department has incurred costs for this mandate, give the name of each department. A separate form LECJ-2 should be completed for each department.
- (02) Fiscal Year. Enter the fiscal year for which costs were incurred.
- (03) Reimbursable Components. Check the box which indicates the cost component being claimed. Check only one box per form. A separate form LECJ-2 shall be prepared for each applicable component.
- (04) Description of Expenses. The following table identifies the type of information required to support reimbursable costs. To detail costs for the component activity box "checked" in block (03), enter the employee names, position titles, a brief description of the activities performed, actual time spent by each employee, productive hourly rates, fringe benefits, supplies used, contract services, travel and training expenses. **The descriptions required in column (4)(a) must be of sufficient detail to explain the cost of activities or items being claimed.** For audit purposes, all supporting documents must be retained by the claimant for a period of not less than three years after the end of the calendar year in which the reimbursement claim was filed or last amended, whichever is later. If no funds are appropriated for the initial payment at the time the claims are filed, supporting documents must be retained for three years from the date of initial payment of the claim. Such documents shall be made available to the State Controller's Office on request.

Object/ Sub object Accounts	Columns								Submit supporting documents with the claim
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	
<b>Salaries</b>	Employee Name	Hourly Rate	Hours Worked	Salaries = Hourly Rate x Hours Worked					
<b>Benefits</b>	Title Activities	Benefit Rate		Benefits = Benefit Rate x Salaries					
<b>Materials and Supplies</b>	Description of Supplies Used	Unit Cost	Quantity Used		Cost = Unit Cost x Quantity Used				
<b>Contract Services</b>	Name of Contractor Specific Tasks Performed	Hourly Rate	Hours Worked Inclusive Dates of Service			Cost = Hourly Rate x Hours Worked			Copy of Contract
<b>Fixed Assets</b>	Description of Equipment Purchased	Unit Cost	Usage				Cost = Unit Cost x Usage		
<b>Travel and Training</b>	Purpose of Trip Name and Title	Per Diem Rate	Days					Cost = Rate x Days or Miles	
<b>Travel</b>	Departure and Return Date	Mileage Rate Travel Cost	Miles Travel Mode					or Total Travel Cost	
<b>Training</b>	Employee Name/Title Name of Class		Dates Attended					Registration Fee	

- (05) Total line (04), columns (d) through (h) and enter the sum on this line. Check the appropriate box to indicate if the amount is a total or subtotal. If more than one form is needed to detail the component/activity costs, number each page. Enter totals from line (05), columns (d) through (h) to form LECJ-1, block (05), columns (a) through (e) in the appropriate row.

OFFICE OF THE STATE CONTROLLER  
STATE MANDATED COSTS CLAIMING INSTRUCTIONS NO. 2001-03  
LAW ENFORCEMENT SEXUAL HARASSMENT TRAINING  
(COMMUNITY COLLEGES)

In accordance with Government Code (GC) Section 17561, eligible claimants may submit claims to the State Controller's Office (SCO) for reimbursement of costs incurred for state mandated cost programs. The following are claiming instructions and forms that eligible claimants will use for the filing of claims for Law Enforcement Sexual Harassment Training (LESH). These claiming instructions are issued subsequent to the adoption of the program's parameters and guidelines (P's & G's) by the Commission on State Mandates (COSM).

Penal Code Section 13519.7, subdivisions (a) and (c), as added by Chapter 126, Statutes of 1993, require peace officers who are victims of sexual harassment in the workplace to follow sexual harassment complaint guidelines developed by the Commission on Peace Officer Standards and Training, and that peace officers who completed their basic training before January 1, 1995, receive supplementary training on sexual harassment in the workplace.

On September 28, 2000, the COSM determined that Penal Code Section 13519.7, subdivisions (a) and (c), establish costs mandated by the State according to the provisions listed in the P's & G's. For your reference, the P's & G's are included as an integral part of the claiming instructions.

**Eligible Claimants**

Any community college district employs peace officers and incurs increased costs as a direct result of this mandate is eligible to claim reimbursement of these costs.

**Filing Deadlines**

Pursuant to Penal Code Section 13519.7, subdivision (c), the supplementary training on sexual harassment in the workplace should have been completed by January 1, 1997. Therefore, it is anticipated that a majority of the training costs would have been incurred prior to the 1998-99 fiscal year. However, if costs are being claimed for the 1998-99 and subsequent fiscal years, include a brief explanation of why the sexual harassment training was not completed until that time on form LESH-2.

**A. Initial Claims**

Initial reimbursement claims must be filed within 120 days from the issuance date of claiming instructions. Therefore, reimbursement claims for the 1996-97 through 1999-00 fiscal years and an estimated claim for the 2000-01 fiscal year must be filed with the SCO and must be delivered or postmarked on or before **August 28, 2001**. Thereafter, having received payment for an estimated claim, the claimant must file an annual reimbursement claim by January 15 of the following fiscal year. Claims filed after the deadline will be reduced by a late penalty of 10%, not to exceed \$1,000.



Costs for all initial reimbursement claims must be filed separately according to the fiscal year in which the costs were incurred. However, the initial claims will be considered as one claim for the purpose of computing the late claim penalty. Do not prorate the penalty among fiscal years. If the claims are late, the penalty should be applied to a single fiscal year.

In order for a claim to be considered properly filed, it must include any specific supporting documentation requested in the instructions. **Claims filed more than one year after the deadline or without the requested supporting documentation will not be accepted.**

## **B. Estimated Claims**

Unless otherwise specified in the claiming instructions, community college districts are not required to provide cost schedules and supporting documents with an estimated claim if the estimated amount does not exceed the previous fiscal year's actual costs by more than 10%. Claimants can simply enter the estimated amount on form FAM-27, line (07). However, if the estimated claim exceeds the previous fiscal year's actual costs by more than 10%, claimants must complete supplemental claim forms to support their estimated costs as specified for the program to explain the reason for the increased costs. If no explanation supporting the higher estimate is provided with the claim, it will automatically be adjusted to 110% of the previous fiscal year's actual costs.

Estimated claims filed with the SCO must be postmarked by January 15 of the fiscal year in which costs will be incurred. However, 2000-01 estimated claims must be filed with the SCO and postmarked by **August 28, 2001**. Timely filed claims will be paid before late claims.

## **Minimum Claim Cost**

GC Section 17564(a) provides that no claim shall be filed pursuant to GC Section 17561 unless such a claim exceeds \$200 per program per fiscal year. However, any county superintendent of community colleges, as the fiscal agent for the district, may submit a combined claim in excess of \$200 on behalf of districts within the county even if an individual claim does not exceed \$200. A combined claim must show the individual claim costs for each eligible district. Once a combined claim is filed, all subsequent fiscal years relating to the same mandate must be filed in a combined form. The county superintendent receives the reimbursement payment and is responsible for disbursing funds to each participating district. A district may withdraw from the combined claim form by providing the county superintendent and the SCO with a written notice of its intent to file a separate claim at least 180 days prior to the deadline for filing the claim. Claims should be rounded to the nearest dollar.

## **Reimbursement of Claims**

Initial reimbursement claims will only be reimbursed to the extent that expenditures can be supported and if such information is unavailable, claims will be reduced. In addition, ongoing reimbursement claims must be supported by documentation as evidence of the expenditures. Examples of documentation may include, but are not limited to, employee time records that identify mandate activities, payroll records, invoices, receipts, contracts, travel expense vouchers, purchase orders, and caseload statistics.

### **Audit of Costs**

All claims submitted to the SCO are reviewed to determine if costs are related to the mandate, are reasonable and not excessive, and the claim was prepared in accordance with the P's & G's adopted by the COSM. If any adjustments are made to a claim, a "Notice of Claim Adjustment," specifying the claim component adjusted, the amount adjusted, and the reason for the adjustment, will be mailed within 30 days after payment of the claim.

On-site audits will be conducted by the SCO as deemed necessary. Accordingly, all documentation to support actual costs claimed must be retained for a period of two years after the end of the calendar year in which the reimbursement claim was filed or amended regardless of the year of costs incurred. If no funds are appropriated for initial claims at the time the claims are filed, supporting documents must be retained for two years from the date of initial payment of the claim. Claim documentation shall be made available to the SCO on request.

### **Retention of Claiming Instructions**

Claiming instructions and forms should be retained permanently in your Mandated Cost Manual for future reference and use in filing claims. These forms should be duplicated to meet your filing requirements. You will be notified of updated forms or changes to claiming instructions as necessary. For your reference, these and future mandated costs claiming instructions and forms can be found on the Internet at [www.sco.ca.gov/ard/local/locreim/index.htm](http://www.sco.ca.gov/ard/local/locreim/index.htm).

### **Address for Filing Claims**

Submit a signed, original and form FAM-27, Claim for Payment, and all other forms and supporting documents (no copies necessary) to:

If delivered by  
U.S. Postal Service:

Office of the State Controller  
Attn: Local Reimbursements Section  
Division of Accounting and Reporting  
P.O. Box 942850  
Sacramento, CA 94250

If delivered by  
other delivery services:

Office of the State Controller  
Attn: Local Reimbursements Section  
Division of Accounting and Reporting  
3301 C Street, Suite 500  
Sacramento, CA 95816

## **Parameters and Guidelines**

Penal Code Section 13519.7, Subdivisions (a) and (c)  
Statutes of 1993, Chapter 126

### *Law Enforcement Sexual Harassment Complaint Procedures and Training*

#### **I. SUMMARY OF MANDATE**

Penal Code Section 13519.7 as added by Statutes of 1993, Chapter 126, requires, in subdivision (a), that city police departments, county sheriffs' departments, districts, and state university departments follow sexual harassment complaint guidelines developed by the Commission on Peace Officer Standards and Training (POST) and, in subdivision (c), that peace officers, who completed their basic training before January 1, 1995, receive supplementary training on sexual harassment in the workplace by January 1, 1997.

On September 28, 2000, the Commission on State Mandates (Commission) adopted its Statement of Decision on the subject test claim, finding that Penal Code section 13519.7, subdivisions (a) and (c), constitutes a reimbursable state mandated program as follows:

“The sexual harassment guidelines, entitled “Sexual Harassment in the Workplace, Guidelines and Curriculum, 1994” which were developed by POST in response to Penal Code section 13519.7, subdivision (a), constitute a reimbursable state mandated program within the meaning of article XIII B, section 6 of the California Constitution and Government Code section 17514;”

“Penal Code section 13519.7, subdivision (c), which requires peace officers to receive a one-time, two-hour course on sexual harassment by January 1, 1997, constitutes a reimbursable state mandated program within the meaning of article XIII B, section 6 of the California Constitution and Government Code section 17514 when the sexual harassment training occurs during the employee's regular working hours, or when the sexual harassment training occurs outside the employee's regular working hours and is an obligation imposed by an MOU existing on January 1, 1994 (the effective date of the statute), which requires the local agency to provide or pay for continuing education training, for the following increased ‘costs mandated by the state’:

- Salaries, benefits, and incidental expenses for each veteran officer to receive a one-time, two-hour course on sexual harassment; and
- Costs to present the one-time, two-hour course in the form of materials and trainer time.”

## **II. ELIGIBLE CLAIMANTS**

Cities, counties, city and county, school districts and community college districts that employ peace officers, and special districts as defined in Government Code section 17520 that are authorized by statute to maintain a police department.<sup>1</sup>

## **III. PERIOD OF REIMBURSEMENT**

Section 17557 of the Government Code, prior to its amendment by Statutes of 1998, Chapter 681, stated that a test claim must be submitted on or before December 31 following a given fiscal year to establish eligibility for reimbursement for that fiscal year. This test claim was filed by the County of Los Angeles on December 23, 1997. Therefore, costs incurred in implementing Statutes of 1993, Chapter 126, after July 1, 1996, are eligible for reimbursement.

Actual costs for one fiscal year shall be included in each claim. Estimated costs for the subsequent year may be included on the same claim, if applicable. Pursuant to section 17561, subdivision (d)(1) of the Government Code, all claims for reimbursement shall be submitted within 120 days of notification by the State Controller of the enactment of the claim's bill.

If total costs for a given year do not exceed \$200, no reimbursement shall be allowed, except as otherwise allowed by Government Code section 17564.

## **IV. REIMBURSABLE ACTIVITIES**

### **A. Sexual Harassment Complaint Procedures**

Local law enforcement agency costs incurred in following the sexual harassment guidelines developed by POST are reimbursable as follows:

#### One-time Costs

For the development of a local law enforcement agency's sexual harassment complaint policies and procedures, including:

1. Developing a formal written procedure for the acceptance of complaints from peace officers who are the victims of sexual harassment training in the workplace,
2. Providing a written copy of the local agency's complaint procedure to every peace officer employee,
3. Using definitions and examples of sexual harassment as contained in the Code of Federal Regulations (29 CFR 1604.11) and California Government Code Section 12950,
4. Identifying the specific steps complainants should follow for initiating a complaint,
5. Addressing supervisory/management responsibilities to intervene and/or initiate an investigation when possible sexual harassment is observed in the workplace,
6. Stating that agencies must attempt to prevent retaliation, and under the law, sanctions can be imposed if complainants and/or witnesses are subjected to retaliation,
7. Identifying parties to whom the incident should/may be reported, allowing complainant to circumvent their normal chain of command in order to report a sexual harassment incident, including stating that the complainant is always entitled to go directly to the California Department of Fair Employment Housing (DFEH) and/ or the Federal Equal Employment Opportunity Commission (EEOC) to file a complaint,

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<sup>1</sup> Penal Code section 13507 defines "district" to include the school districts, community college districts, and special districts authorized by statute to maintain a police department for purposes of the chapter on local officer standards and training.

8. Requiring that all complaints shall be fully documented by the person receiving the complaint,
9. Requiring that all sexual harassment prevention training shall be documented for each person and maintained in an appropriate file.

#### B. Sexual Harassment Training

Local law enforcement agency costs incurred in conducting sexual harassment training during their employee's regular working hours, or outside the employee's regular working hours and is an obligation imposed by an MOU existing on January 1, 1994 which requires that the local agency provide or pay for continuing education training, are reimbursable.

#### Claimant-Sponsored Training

Costs incurred in conducting a one-time, two-hour supplementary training class on sexual harassment in the workplace for each peace officer who completed basic training before January 1, 1995, are reimbursable as follows:

1. Training the trainers to conduct the training,
2. Obtaining training materials including, but not limited to, training videos and audio visual aids,
3. A one-time, two-hour sexual harassment training course for each peace officer veteran that includes:
  - a. Instructor time to prepare and teach the two-hour sexual harassment class,
  - b. Trainee time to attend the two-hour sexual harassment class.

#### Outside Training

Costs incurred in attending a one-time, two-hour outside training class which meets the requirements of the mandated training on sexual harassment in the workplace for peace officers, who completed their basic training before January 1, 1995, are reimbursable as follows:

1. Trainee time to attend the one-time, two-hour sexual harassment class,
2. Training fees for each peace officer attending the one-time, two-hour class,
3. Purchase of training materials for each peace officer attending the one-time, two-hour class.

### **V. CLAIM PREPARATION AND SUBMISSION**

Claims for reimbursement must be timely filed and identify each cost element for which reimbursement is claimed under this mandate. Claimed costs must be identified to each reimbursable activity identified in Section IV of this document and they must be supported by the following cost element information:

#### A. Direct Cost

Direct cost are defined as cost that can be traced to specific goods, services, units, programs, activities or functions and shall be supported by the following cost element information:

##### 1. Salaries and Benefits

Identify the employee(s), and/or show the classification of the employee(s) involved. Describe the reimbursable activities performed and specify the actual time devoted to each reimbursable activity by each employee, productive hourly rate and related fringe benefits.

Reimbursement for personal services includes compensation paid for salaries, wages and employee fringe benefits. Employee fringe benefits include regular compensation paid to an employee during periods of authorized absences (e.g., annual leave, sick leave) and the employer's contribution of social security, pension plans, insurance and worker's compensation insurance. Fringe benefits are eligible for reimbursement when distributed equitably to all job activities, which the employee performs.

## 2. Materials and Supplies

Only expenditures that can be identified as direct costs of this mandate may be claimed. List the cost of the materials and supplies consumed specifically for the purposes of this mandate. Purchases shall be claimed at the actual price after deducting cash discounts, rebates and allowances received by the claimant. Supplies that are withdrawn from inventory shall be charged based on a recognized method of costing, consistently applied.

## 3. Contract Services

Provide the name(s) of the contractor(s) who performed the services, including any fixed contract for services. Describe the reimbursable activity (ies) performed by each named contractor and give the number of actual hours spent on the activities, if applicable. Show the inclusive dates when services were performed and itemize all costs for those services.

## 4. Fixed Assets

List the costs of the fixed assets that have been acquired specifically for the purpose of this mandate. If the fixed asset is utilized in some way not directly related to the mandated program, only the pro-rata portion of the asset, which is used for the purposes of the mandated program, is eligible for reimbursement.

## 5. Travel

Travel expenses for mileage, per diem, lodging and other employee entitlements are eligible for reimbursement in accordance with the rules of the local jurisdiction. Provide the name(s) of the traveler(s), purpose of the travel, inclusive dates and times of travel, destination points and travel costs.

## 6. Training

The cost of training an employee to perform the mandated activities as specified in section IV of these parameters and guidelines, is eligible for reimbursement. Identify the employee(s) by name and job classification. Provide the title and subject of the training session, the date(s) attended and the location. Reimbursable costs may include salaries and benefits of trainees and trainers, registration fees, transportation, lodging, per diem, and incidental audiovisual aids. If the training encompasses subjects broader than this mandate, only the pro rata portion of the training costs can be claimed.

## B. Indirect Costs

Indirect costs are defined as costs which are incurred for a common or joint purpose, benefiting more than one program and are not directly assignable to a particular department or program without efforts disproportionate to the result achieved. Indirect costs may include both (1) overhead costs of the unit performing the mandate; and (2) the costs of central government services distributed to other departments based on a systematic and rational basis through a cost allocation plan.

### 1. Special Districts, Counties and Cities

Compensation for indirect costs is eligible for reimbursement utilizing the procedure provided in the OMB A-87. Claimants have the option of using 10% of direct labor, excluding fringe benefits, or preparing an Indirect Cost Rate Proposal (ICRP) for the department if the indirect cost rate exceeds 10%. If more than one department is claiming indirect costs for the mandated program, each department must have its own ICRP prepared in accordance with OMB A-87. An ICRP must be submitted with the claim when the indirect cost rate exceeds 10%.

### 2. School Districts

School districts must use the J-380 (or subsequent replacement) non-restrictive indirect cost rate provisionally approved by the California Department of Education.

### 3. Community Colleges

Community colleges have the option of using (1) a federally approved rate, utilizing the cost accounting principles from the Office of Management and Budget Circular A-21 "Cost Principles of Educational Institutions", (2) the rate calculated on State Controller's Form FAM-29C, or (3) a 7% indirect cost rate.

## **VI. SUPPORTING DATA**

For audit purposes, all costs claimed shall be traceable to source documents (e.g., invoices, receipts, purchase orders, contracts, worksheets, calendars, declarations) that show evidence of the validity of such costs and their relationship to the state mandated program. All documentation in support of the claimed costs shall be made available to the State Controller's Office, as may be requested, and all reimbursement claims are subject to audit during the period specified in Government Code section 17558.5, subdivision (a).

## **VII. OFFSETTING SAVINGS AND OTHER REIMBURSEMENT**

Any offsetting savings the claimant experiences as a direct result of the subject mandate shall be deducted from the costs claimed. In addition, reimbursement for this mandate received from any source, including but not limited to, federal funds and other state funds shall be identified and deducted from this claim.

## **VIII. STATE CONTROLLER'S OFFICE REQUIRED CERTIFICATION**

An authorized representative of the claimant shall be required to provide a certification of the claim, as specified in the State Controller's Office claiming instructions, for those costs mandated by the State contained herein.

## **IX. PARAMETERS AND GUIDELINES AMENDMENTS**

Pursuant to Title 2, California Code of Regulations, section 1183.2, Parameters and Guidelines amendments filed before the deadline for initial claims as specified in the Claiming Instructions shall apply to all years eligible for reimbursement as defined in the original parameters and guidelines. A Parameters and Guidelines amendment filed after the initial claiming deadline must be submitted on or before January 15, following a fiscal year in order to establish eligibility for reimbursement for that fiscal year.

CLAIM FOR PAYMENT Pursuant to Government Code Section 17561 LAW ENFORCEMENT SEXUAL HARASSMENT TRAINING			For State Controller Use Only		236
			(19) Program Number 00236		
			(20) Date Filed ____/____/____		
			(21) LRS Input ____/____/____		
L A B E L  H E R E	(01) Claimant Identification Number			Reimbursement Claim Data	
	(02) Claimant Name			(22) LESH-1, (04)(a)	
	County of Location			(23) LESH-1, (04)(b)	
	Street Address or P.O. Box Suite			(24) LESH-1, (05)(A)(1)(e)	
	City State Zip Code			(25) LESH-1, (05)(B)(1)(e)	
				(26) LESH-1, (05)(B)(2)(e)	
Type of Claim		Estimated Claim		Reimbursement Claim	
		(03) Estimated <input type="checkbox"/>	(09) Reimbursement <input type="checkbox"/>	(27) LESH-1, (07)	
		(04) Combined <input type="checkbox"/>	(10) Combined <input type="checkbox"/>	(28) LESH-1, (08)	
		(05) Amended <input type="checkbox"/>	(11) Amended <input type="checkbox"/>	(29) LESH-1, (10)	
Fiscal Year of Cost		(06) 20____/20____	(12) 20____/20____	(30) LESH-1, (11)	
Total Claimed Amount		(07)	(13)	(31)	
Less: 10% Late Penalty, not to exceed \$1,000			(14)	(32)	
Less: Prior Claim Payment Received			(15)	(33)	
Net Claimed Amount			(16)	(34)	
Due from State		(08)	(17)	(35)	
Due to State			(18)	(36)	
<b>(37) CERTIFICATION OF CLAIM</b> <p>In accordance with the provisions of Government Code Section 17561, I certify that I am the officer authorized by the community college district to file mandated cost claims with the State of California for this program, and certify under penalty of perjury that I have not violated any of the provisions of Government Code Sections 1090 to 1098, inclusive.</p> <p>I further certify that there was no application other than from the claimant, nor any grant or payment received, for reimbursement of costs claimed herein, and such costs are for a new program or increased level of services of an existing program. All offsetting savings and reimbursements set forth in the Parameters and Guidelines are identified, and all costs claimed are supported by source documentation currently maintained by the claimant.</p> <p>The amounts for this Estimated Claim and/or Reimbursement Claim are hereby claimed from the State for payment of estimated and/or actual costs set forth on the attached statements. I certify under penalty of perjury under the laws of the State of California that the foregoing is true and correct.</p> <div style="display: flex; justify-content: space-between;"> <div>Signature of Authorized Officer</div> <div>Date</div> </div> <div style="display: flex; justify-content: space-between; margin-top: 20px;"> <div>_____</div> <div>_____</div> </div> <div style="display: flex; justify-content: space-between;"> <div>Type or Print Name</div> <div>Title</div> </div>					
(38) Name of Contact Person for Claim			Telephone Number ( ) - Ext.		
			E-Mail Address		



<b>Program</b> <b>236</b>	<b>LAW ENFORCEMENT SEXUAL HARASSMENT TRAINING</b> <b>Certification Claim Form</b> <b>Instructions</b>	<b>FORM</b> <b>FAM-27</b>
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- (01) Enter the payee number assigned by the State Controller's Office.
- (02) Enter your Official Name, County of Location, Street or P. O. Box address, City, State, and Zip Code.
- (03) If filing an estimated claim, enter an "X" in the box on line (03), Estimated.
- (04) Leave blank.
- (05) If filing an amended claim, enter an "X" in the box on line (05), Amended.
- (06) Enter the fiscal year in which costs are to be incurred.
- (07) Enter the amount of the estimated claim. If the estimate exceeds the previous year's actual costs by more than 10%, complete form LESH-1 and enter the amount from line (12).
- (08) Enter the same amount as shown on line (07).
- (09) If filing a reimbursement claim, enter an "X" in the box on line (09), Reimbursement.
- (10) Leave blank.
- (11) If filing an amended claim, enter an "X" in the box on line (11), Amended.
- (12) Enter the fiscal year for which actual costs are being claimed. If actual costs for more than one fiscal year are being claimed, complete a separate form FAM-27 for each fiscal year.
- (13) Enter the amount of the reimbursement claim from form LESH-1, line (12). The total claimed amount must exceed \$1,000.
- (14) Reimbursement claims must be filed by January 15 of the following fiscal year in which costs were incurred or the claims shall be reduced by a late penalty. Enter zero if the claim was timely filed, otherwise, enter the product of multiplying line (13) by the factor 0.10 (10% penalty), or \$1,000, whichever is less.
- (15) If filing a reimbursement claim and a claim was previously filed for the same fiscal year, enter the amount received for the claim. Otherwise, enter a zero.
- (16) Enter the result of subtracting line (14) and line (15) from line (13).
- (17) If line (16), Net Claimed Amount, is positive, enter that amount on line (17), Due from State.
- (18) If line (16), Net Claimed Amount, is negative, enter that amount on line (18), Due to State.
- (19) to (21) Leave blank.
- (22) to (36) Reimbursement Claim Data. Bring forward the cost information as specified on the left-hand column of lines (22) through (36) for the reimbursement claim, e.g., LESH-1, (05)(A)(1)(f), means the information is located on form LESH-1, block (05), component (A), line (1), column (f). Enter the information on the same line but in the right-hand column. Cost information should be rounded to the nearest dollar, i.e., no cents. Indirect costs percentage should be shown as a whole number and without the percent symbol, i.e., 8.19% should be shown as 8. **Completion of this data block will expedite the payment process.**
- (37) Read the statement "Certification of Claim." If it is true, the claim must be dated, signed by the agency's authorized officer, and must include the person's name and title, typed or printed. **Claims cannot be paid unless accompanied by an original signed certification. (To expedite the payment process, please sign the form FAM-27 with blue ink, and attach a copy of the form FAM-27 to the top of the claim package.)**
- (38) Enter the name, telephone number, and e-mail address of the person to contact if additional information is required.

**SUBMIT A SIGNED ORIGINAL, AND A COPY OF FORM FAM-27, WITH ALL OTHER FORMS AND SUPPORTING DOCUMENTS TO:**

***Address, if delivered by U.S. Postal Service:***

**OFFICE OF THE STATE CONTROLLER  
 ATTN: Local Reimbursements Section  
 Division of Accounting and Reporting  
 P.O. Box 942850  
 Sacramento, CA 94250**

***Address, if delivered by other delivery service:***

**OFFICE OF THE STATE CONTROLLER  
 ATTN: Local Reimbursements Section  
 Division of Accounting and Reporting  
 3301 C Street, Suite 500  
 Sacramento, CA 95816**

<b>Program</b> <b>236</b>		<b>MANDATED COSTS</b> <b>LAW ENFORCEMENT SEXUAL HARASSMENT TRAINING</b> <b>CLAIM SUMMARY</b>				<b>FORM</b> <b>LESH-1</b>	
(01) Claimant			(02) Type of Claim			Fiscal Year	
			Reimbursement <input type="checkbox"/>				
			Estimated <input type="checkbox"/>			20__/20__	
(03) Department		Leave blank.					
<b>Claim Statistics</b>							
(04) Number of peace officers who received supplementary training on sexual harassment through:							
(a) Claimant-sponsored training during the fiscal year of the claim							
(b) Outside training during the fiscal year of the claim							
<b>Direct Costs</b>		<b>Object Accounts</b>					
(05) Reimbursable Components		(a)	(b)	(c)	(d)	(e)	
		Salaries and Benefits	Services and Supplies	Fixed Assets	Travel and Training	Total	
<b>A. One-Time Costs</b>							
1. Develop Policies & Procedures							
<b>B. Ongoing Costs</b>							
1. Claimant-Sponsored Training							
2. Outside Training							
(06) Total Direct Costs							
<b>Indirect Costs</b>							
(07) Indirect Cost Rate				[Federally approved OMB A-21, FAM-29C, or 7%]		%	
(08) Total Indirect Costs				[Line (06)(a) x line (07)]			
(09) Total Direct and Indirect Costs				[Line (06)(e) + line (08)]			
<b>Cost Reduction</b>							
(10) Less: Offsetting Savings							
(11) Less: Other Reimbursements							
(12) Total Claimed Amount				[Line (09) - {line (10) + line (11)}]			

<b>Program</b> <b>236</b>	<b>MANDATED COSTS</b> <b>LAW ENFORCEMENT SEXUAL HARASSMENT TRAINING (SCHOOL DISTRICTS)</b> <b>CLAIM SUMMARY</b>	<b>FORM</b> <b>LESH-1</b>
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- (01) Claimant. Enter the name of the claimant.
- (02) Type of Claim. Check a box, Reimbursement or Estimated, to identify the type of claim being filed. Enter the fiscal year of costs.
- Form LESH-1 must be filed for a reimbursement claim. Do not complete form LESH-1 if you are filing an estimated claim and the estimate does not exceed the previous fiscal year's actual costs by more than 10%. Simply enter the amount of the estimated claim on form FAM-27, line (07). However, if the estimated claim exceeds the previous fiscal year's actual costs by more than 10%, form LESH-1 must be completed and a statement attached explaining the increased costs. Without this information the high estimated claim will automatically be reduced to 110% of the previous fiscal year's actual costs.
- (03) Department. Leave blank.
- (04) (a) Enter the number of peace officers who received supplementary training on sexual harassment in the workplace through claimant-sponsored training during the fiscal year of the claim.  
(b) Enter the number of peace officers who received supplementary training on sexual harassment in the workplace through outside training during the fiscal year of the claim.
- (05) Reimbursable Components. For each reimbursable component, enter the total from form LESH-2, line (05), columns (d) through (g) to form LESH-1, block (05), columns (a) through (d) in the appropriate row. Total each row.
- (06) Total Direct Costs. Total columns (a) through (e).
- (07) Indirect Cost Rate. Community college districts may use the federally approved OMBA-21 rate, the rate computed using form FAM 29C, or a 7% indirect cost rate, for the fiscal year of costs.
- (08) Total Indirect Costs. Multiply Total Salaries and Benefits, line (06)(a), by the Indirect Cost Rate, line (07).
- (09) Total Direct and Indirect Costs. Enter the sum of Total Direct Costs, line (06)(e), and Total Indirect Costs, line (08).
- (10) Less: Offsetting Savings. If applicable, enter the total savings experienced by the claimant as a direct result of this mandate. Submit a detailed schedule of savings with the claim.
- (11) Less: Other Reimbursements. If applicable, enter the amount of other reimbursements received from any source including, but not limited to, service fees collected, federal funds, and other state funds, which reimbursed any portion of the mandated cost program. Submit a schedule detailing the reimbursement sources and amounts.
- (12) Total Claimed Amount. From Total Direct and Indirect Costs, line (09), subtract the sum of Offsetting Savings, line (10), and Other Reimbursements, line (11). Enter the remainder on this line and carry the amount forward to form FAM-27, line (07) for the Estimated Claim or line (13) for the Reimbursement Claim.

Program <b>236</b>	<b>MANDATED COSTS</b> <b>LAW ENFORCEMENT SEXUAL HARASSMENT TRAINING</b> <b>COMPONENT/ACTIVITY COST DETAIL</b>	<b>FORM</b> <b>LESH-2</b>
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(01) Claimant	(02) Fiscal Year
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(03) Reimbursable Components: Check only **one** box per form to identify the component being claimed.

**One-Time Costs:**    ☐ Develop Policies and Procedures

**Ongoing Costs:**    ☐ Claimant-Sponsored Training                      ☐ Outside Training

(04) Description of Expenses: Complete columns (a) through (g).	<b>Object Accounts</b>
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(a) Employee Names, Job Classifications, Functions Performed, and Description of Expenses	(b) Hourly Rate or Unit Cost	(c) Hours Worked or Quantity	(d) Salaries and Benefits	(e) Services and Supplies	(f) Fixed Assets	(g) Travel and Training
(05) Total <input type="checkbox"/> Subtotal <input type="checkbox"/>						

<b>Program</b> <b>236</b>	<b>LAW ENFORCEMENT SEXUAL HARASSMENT TRAINING</b> <b>COMPONENT/ACTIVITY COST DETAIL</b> <b>Instructions</b>	<b>FORM</b> <b>LESH-2</b>
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- (01) Claimant. Enter the name of the claimant.
- (02) Fiscal Year. Enter the fiscal year for which costs were incurred.
- (03) Reimbursable Components. Check the box which indicates the cost component being claimed. Check only one box per form. A separate form LESH-2 shall be prepared for each applicable component.
- (04) Description of Expenses. The following table identifies the type of information required to support reimbursable costs. To detail costs for the component activity box "checked" in block (03), enter the employee names, position titles, a brief description of the activities performed, actual time spent by each employee, productive hourly rates, fringe benefits, supplies used, contract services, travel and training expenses. **The descriptions required in column (4)(a) must be of sufficient detail to explain the cost of activities or items being claimed.** For audit purposes, all supporting documents must be retained by the claimant for a period of not less than three years after the end of the calendar year in which the reimbursement claim was filed or last amended, whichever is later. When no funds are appropriated for the initial payment at the time the claim was filed, supporting documents must be retained for three years from the date of initial payment of the claim. Such documents shall be made available to the State Controller's Office on request.

Object/ Sub object Accounts	Columns							Submit these supporting documents with the claim
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	
<b>Salaries and Benefits</b>								
Salaries	Employee Name	Hourly Rate	Hours Worked	Salaries = Hourly Rate x Hours Worked				
Benefits	Title	Benefit Rate		Benefits = Benefit Rate x Salaries				
	Activities							
<b>Services and Supplies</b>								
Supplies	Description of Supplies Used	Unit Cost	Quantity Used		Cost = Unit Cost x Quantity Used			
Contract Services	Name of Contractor Specific Tasks Performed	Hourly Rate	Hours Worked Inclusive Dates of Service		Itemized Cost of Services Performed			Invoice
<b>Fixed Assets</b>								
	Description of Equipment Purchased	Unit Cost	Usage			Itemized Cost of Equipment Purchased		Invoice
<b>Travel and Training</b>								
Travel	Purpose of Trip Name and Title Departure and Return Date	Per Diem Rate Mileage Rate Travel Cost	Days Miles Travel Mode				Cost = Rate x Days or Miles or Total Travel Cost	
Training	Employee Name/Title Name of Class		Dates Attended				Registration Fee	

- (05) Total line (04), columns (d) through (g) and enter the sum on this line. Check the appropriate box to indicate if the amount is a total or subtotal. If more than one form is needed to detail the component/activity costs, number each page. Enter totals from line (05), columns (d) through (g) to form LESH-1, block (05), columns (a) through (d) in the appropriate row.

OFFICE OF THE STATE CONTROLLER  
STATE MANDATED COSTS CLAIMING INSTRUCTIONS NO. 2003-04C  
MANDATE REIMBURSEMENT PROCESS  
(COMMUNITY COLLEGES)

MAY 6, 2003

In accordance with Government Code (GC) Section 17561, eligible claimants may submit claims to the State Controller's Office (SCO) for reimbursement of costs incurred for state mandated cost programs. The following are claiming instructions and forms that eligible claimants will use for the filing of claims for the Mandate Reimbursement Process (MRP) program. These claiming instructions are issued subsequent to adoption of the program's parameters and guidelines (P's & G's) by the Commission on State Mandates (COSM).

On March 27, 1986, the COSM determined that Chapters 486, Statutes of 1975, and Chapter 1459, Statutes of 1984, establish costs mandated by the State according to the provisions listed in the amended P's & G's. For your reference, the P's & G's are included as an integral part of the claiming instructions.

The P's & G's for this program are amended each year after the enactment of the Budget Act. Refer to Provision 8 in Budget Act Item 0840-001-0001, and Provision 1 in Item 8885-001-0001, Statutes of 2002, that require the COSM to amend the P's & G's.

**Eligible Claimants**

Any community college district, as defined by GC Section 17519, that incurs increased costs as a direct result of this mandate is eligible to claim reimbursement of these costs.

**Filing Deadlines**

**A. Reimbursement Claims**

Beginning with the 2002-03 fiscal year, estimated claims may be filed with the SCO and be delivered or postmarked on or before **September 9, 2003** or an actual claim for the 2002-03 fiscal year may be filed by January 15, 2004, without a late penalty. Claims filed after the deadline will be reduced by a late penalty of 10%.

In order for a claim to be considered properly filed, it must include any specific supporting documentation requested in the instructions. **Claims filed more than one year after the deadline or without the requested supporting documentation will not be accepted.**

**B. Estimated Claims**

Unless otherwise specified in the claiming instructions, community college districts are not required to provide cost schedules and supporting documents with an estimated claim if the estimated amount does not exceed the previous fiscal year's actual costs by more than 10%. Claimants can simply enter the estimated amount on form FAM-27, line (07). However, if the estimated claim exceeds the previous fiscal year's actual costs by more than 10%, claimants must complete supplemental claim forms to support their estimated costs as specified for the program to explain the reason for the increased costs. If no explanation

supporting the higher estimate is provided with the claim, it will automatically be adjusted to 110% of the previous fiscal year's actual costs. Future estimated claims filed with the SCO must be postmarked by January 15 of the fiscal year in which costs will be incurred. Claims filed timely will be paid before late claims.

### **Minimum Claim Cost**

For initial claims and annual claims filed **on or after September 30, 2002**, if the total costs for a given year do not exceed **\$1,000**, no reimbursement shall be allowed except as otherwise allowed by GC Section 17564.

### **Reimbursement of Claims**

To be eligible for mandated cost reimbursement for any fiscal year, only actual costs may be claimed. Actual costs are those costs actually incurred to implement the mandated activities. Actual costs must be traceable and supported by source documents that show the validity of such costs, when they were incurred, and their relationship to the reimbursable activities.

Reimbursement claims will only be reimbursed to the extent that expenditures can be supported and, if such information is unavailable, claims will be reduced. In addition, ongoing reimbursement claims must be supported by documentation as evidence of the expenditures. Examples of documentation may include, but are not limited to, employee time records that identify mandate activities, payroll records, invoices, receipts, contracts, travel expense vouchers, purchase orders, and caseload statistics. Refer to Sections IV and V of the attached amended P's and G's.

### **Audit of Costs**

All claims submitted to the SCO are reviewed to determine if costs are related to the mandate, are reasonable and not excessive, and the claim was prepared in accordance with the P's & G's adopted by the COSM. If any adjustments are made to a claim, a "Notice of Claim Adjustment" specifying the claim component adjusted, the amount adjusted, and the reason for the adjustment, will be mailed within 30 days after payment of the claim.

On-site audits will be conducted by the SCO as deemed necessary. Pursuant to GC Section 17558.5, subdivision (a), a reimbursement claim for actual costs filed by a community college district is subject to audit by the State Controller no later than three years after the date the actual reimbursement claim was filed or last amended, whichever is later. However, if no funds were appropriated or no payment was made to a claimant for the program for the fiscal year for which the claim was filed, the time for the Controller to initiate an audit shall commence to run from the date of initial payment of the claim. Therefore, all documentation to support actual costs claimed must be retained for the same period, and shall be made available to the SCO on request.

### **Retention of Claiming Instructions**

The claiming instructions and forms in this package should be retained permanently in your Mandated Cost Manual for future reference and use in filing claims. These forms should be duplicated to meet your filing requirements. You will be notified of updated forms or changes to claiming instructions as necessary.

For your reference, these and future mandated costs claiming instructions and forms can be found on the Internet at [www.sco.ca.gov/ard/local/locreim/index.shtml](http://www.sco.ca.gov/ard/local/locreim/index.shtml).

### **Address for Filing Claims**

Claims should be rounded to the nearest dollar. Submit a signed original and a copy of form FAM-27, Claim for Payment, and all other forms and supporting documents. **(To expedite the payment process, please sign the form in blue ink, and attach a copy of the form FAM-27 to the top of the claim package.)** Use the following mailing addresses:

If delivered by  
U.S. Postal Service:

Office of the State Controller  
Attn: Local Reimbursements Section  
Division of Accounting and Reporting  
P.O. Box 942850  
Sacramento, CA 94250

If delivered by  
Other delivery services:

Office of the State Controller  
Attn: Local Reimbursements Section  
Division of Accounting and Reporting  
3301 C Street, Suite 500  
Sacramento, CA 95816



## **Amended Parameters and Guidelines**

Statutes 1975, Chapter 486  
Statutes 1984, Chapter 1459  
Statutes 1995, Chapter 303 (Budget Act of 1995)  
Statutes 1996, Chapter 162 (Budget Act of 1996)  
Statutes 1997, Chapter 282 (Budget Act of 1997)  
Statutes 1998, Chapter 324 (Budget Act of 1998)  
Statutes 1999, Chapter 50 (Budget Act of 1999)  
Statutes 2000, Chapter 52 (Budget Act of 2000)  
Statutes 2001, Chapter 106 (Budget Act of 2001)  
Statutes 2002, Chapter 379 (Budget Act of 2002)

### *Mandate Reimbursement Process*

[For fiscal years 1995-1996, 1996-1997, 1997-1998, 1998-1999, 1999-2000, 2000-2001, 2001-2002, and 2002-2003 only, these parameters and guidelines are amended, pursuant to the requirements of: (1) provision 11 of Item 0840-001-001, and provision 1 of Item 8885-001-0001 of the Budget Act of 1995; (2) provision 9 of Item 0840-001-0001, and provision 1 of Item 8885-001-0001 of the Budget Act of 1996; (3) provision 9 of Item 0840-001-0001, and provision 1 of Item 8885-001-0001 of the Budget Act of 1997; (4) provision 8 of Item 0840-001-0001, and provision 1 of Item 8885-001-0001 of the Budget Act of 1998; (5) provision 8 of Item 0840-001-0001, and provision 1 of Item 8885-001-0001 of the Budget Act of 1999, (6) provision 8 of Item 0840-001-0001, and provision 1 of Item 8885-001-0001 of the Budget Act of 2000, (7) provision 8 of Item 0840-001-0001, and provision 1 of Item 8885-001-0001 of the Budget Act of 2001; and (8) provision 8 of Item 0840-001-0001, and provision 1 of Item 8885-001-0001 of the Budget Act of 2002, to include Appendix A.]

### *Mandate Reimbursement Process*

Adopted: November 20, 1986  
First Amendment Adopted: March 26, 1987  
Second Amendment Adopted: October 26, 1995  
Third Amendment Adopted: January 30, 1997  
Fourth Amendment Adopted: September 25, 1997  
Fifth Amendment Adopted: October 29, 1998  
Sixth Amendment Adopted: September 30, 1999  
Seventh Amendment Adopted: September 28, 2000  
Eighth Amendment Adopted: October 25, 2001  
Ninth Amendment Adopted: February 27, 2003

## **I. SUMMARY OF THE MANDATE**

Statutes 1975, chapter 486, established the Board of Control's authority to hear and make determinations on claims submitted by local governments that allege costs mandated by the state. In addition, Statutes 1975, chapter 486 contains provisions authorizing the State Controller's Office to receive, review, and pay reimbursement claims for mandated costs submitted by local governments.

Statutes 1984, chapter 1459, created the Commission on State Mandates (Commission), which replaced the Board of Control with respect to hearing mandate cost claims. This law established the "sole and exclusive procedure" by which a local agency or school district is allowed to claim reimbursement as required by article XIII B, section 6 of the California Constitution for state mandates under Government Code section 17552.

Together these laws establish the process by which local agencies receive reimbursement for state-mandated programs. As such, they prescribe the procedures that must be followed before mandated costs are recognized. They also dictate reimbursement activities by requiring local agencies and school districts to file claims according to instructions issued by the Controller.

On March 27, 1986, the Commission determined that local agencies and school districts incurred "costs mandated by the state" as a result of Statutes 1975, chapter 486, and Statutes 1984, chapter 1459. Specifically, the Commission found that these two statutes imposed a new program by requiring local governments to file claims in order to establish the existence of a mandated program as well as to obtain reimbursement for the costs of mandated programs.

## **II. ELIGIBLE CLAIMANTS**

Any local agency as defined in Government Code section 17518, or school district as defined in Government Code section 17519, which incurs increased costs as a result of this mandate is eligible to claim reimbursement of those costs.

## **III. PERIOD OF REIMBURSEMENT**

Pursuant to Government Code section 17560, reimbursement for state-mandated costs may be claimed as follows:

- (a) A local agency or school district may file an estimated reimbursement claim by January 15 of the fiscal year in which costs are to be incurred, and, by January 15 following that fiscal year shall file an annual reimbursement claim that details the costs actually incurred for that fiscal year; or it may comply with the provisions of subdivision (b).
- (b) A local agency or school district may, by January 15 following the fiscal year in which costs are incurred, file an annual reimbursement claim that details the costs actually incurred for that fiscal year.
- (c) In the event revised claiming instructions are issued by the Controller pursuant to subdivision (c) of section 17558 between October 15 and January 15, a local agency or school district filing an annual reimbursement claim shall have 120 days following the issuance date of the revised claiming instructions to file a claim.

Reimbursable actual costs for one fiscal year shall be included in each claim. Estimated costs for the subsequent year may be included on the same claim, if applicable. Pursuant to

Government Code section 17561 (d)(1), all claims for reimbursement of initial years' costs shall be submitted within 120 days of the issuance of the State Controller's claiming instructions. If the total costs for a given fiscal year do not exceed \$1,000, no reimbursement shall be allowed, except as otherwise allowed by Government Code section 17564.

#### **IV. REIMBURSABLE ACTIVITIES**

To be eligible for mandated cost reimbursement for any fiscal year, only actual costs may be claimed. Actual costs are those costs actually incurred to implement the mandated activities. Actual costs must be traceable and supported by source documents that show the validity of such costs, when they were incurred, and their relationship to the reimbursable activities. A source document is a document created at or near the same time the actual cost was incurred for the event or activity in question. Source documents may include, but are not limited to, employee time records or time logs, sign-in sheets, invoices, and receipts.

Evidence corroborating the source documents may include, but is not limited to, worksheets, cost allocation reports (system generated), purchase orders, contracts, agendas, training packets, and declarations. Declarations must include a certification or declaration stating, "I certify under penalty of perjury under the laws of the State of California that the foregoing is true and correct based upon personal knowledge." Evidence corroborating the source documents may include data relevant to the reimbursable activities otherwise in compliance with local, state, and federal government requirements. However, corroborating documents cannot be substituted for source documents.

The claimant is only allowed to claim and be reimbursed for increased costs for reimbursable activities identified below. Increased cost is limited to the cost of an activity that the claimant is required to incur as a result of the mandate.

For each eligible claimant, the following activities are reimbursable:

##### **A. Scope of Mandate**

Local agencies and school districts filing successful test claims and reimbursement claims incur state-mandated costs. The purpose of this test claim is to establish that local governments cannot be made financially whole unless all state mandated costs -- both direct and indirect -- are reimbursed. Since local costs would not have been incurred for test claims and reimbursement claims but for the implementation of state-imposed mandates, all resulting costs are recoverable.

##### **B. Reimbursable Activities**

###### **1. Test Claims**

All costs incurred by local agencies and school districts in preparing and presenting successful test claims are reimbursable, including those same costs of an unsuccessful test claim if an adverse Commission ruling is later reversed as a result of a court order. These activities include, but are not limited to, the following: preparing and presenting test claims, developing parameters and guidelines, collecting cost data, and helping with the drafting of required claiming instructions. The costs of all successful test claims are reimbursable.

Costs that may be reimbursed include the following: salaries and benefits, materials and supplies, consultant and legal costs, transportation, and indirect costs.

## 2. Reimbursement Claims

All costs incurred during the period of this claim for the preparation and submission of successful reimbursement claims to the State Controller are recoverable by the local agencies and school districts. Allowable costs include, but are not limited to, the following: salaries and benefits, service and supplies, contracted services, training, and indirect costs.

Incorrect Reduction Claims are considered to be an element of the reimbursement process. Reimbursable activities for successful incorrect reduction claims include the appearance of necessary representatives before the Commission on State Mandates to present the claim, in addition to the reimbursable activities set forth above for successful reimbursement claims.

## 3. Training

### a. Classes

Include the costs of classes designed to assist the claimant in identifying and correctly preparing state-required documentation for specific reimbursable mandates. Such costs include, but are not limited to, salaries and benefits, transportation, registration fees, per diem, and related costs incurred because of this mandate. (One-time activity per employee.)

### b. Commission Workshops

Participation in workshops convened by the Commission is reimbursable. Such costs include, but are not limited to, salaries and benefits, transportation, and per diem. This does not include reimbursement for participation in rulemaking proceedings.

## V. CLAIM PREPARATION AND SUBMISSION

Each of the following cost elements must be identified for each reimbursable activity identified in Section IV, Reimbursable Activities, of this document. Each claimed reimbursable cost must be supported by source documentation as described in Section IV. Additionally, each reimbursement claim must be filed in a timely manner.

### A. Direct Cost Reporting

Direct costs are those costs incurred specifically for the reimbursable activities. The following direct costs are eligible for reimbursement.

#### 1. Salaries and Benefits

Report each employee implementing the reimbursable activities by name, job classification, and productive hourly rate (total wages and related benefits divided by productive hours). Describe the specific reimbursable activities performed and the hours devoted to each reimbursable activity performed.

#### 2. Materials and Supplies

Report the cost of materials and supplies that have been consumed or expended for the purpose of the reimbursable activities. Purchases shall be claimed at the actual price after deducting discounts, rebates, and allowances received by the claimant. Supplies that are withdrawn from inventory shall be charged on an appropriate and recognized method of costing, consistently applied.

### 3. Contract Services

Report the name of the contractor and services performed to implement the reimbursable activities. Attach a copy of the contract to the claim. If the contractor bills for time and materials, report the number of hours spent on the activities and all costs charged. If the contract is a fixed price, report the dates when services were performed and itemize all costs for those services.

### 4. Fixed Assets and Equipment

Report the purchase price paid for fixed assets and equipment (including computers) necessary to implement the reimbursable activities. The purchase price includes taxes, delivery costs, and installation costs. If the fixed asset or equipment is also used for purposes other than the reimbursable activities, only the pro-rata portion of the purchase price used to implement the reimbursable activities can be claimed.

### 5. Travel

Report the name of the employee traveling for the purpose of the reimbursable activities. Include the date of travel, destination point, the specific reimbursable activity requiring travel, and related travel expenses reimbursed to the employee in compliance with the rules of the local jurisdiction. Report employee travel time according to the rules of cost element A.1, Salaries and Benefits, for each applicable reimbursable activity.

### 6. Training

Report the cost of training an employee to perform the reimbursable activities, as specified in Section IV of this document. Report the name and job classification of each employee preparing for, attending, and/or conducting training necessary to implement the reimbursable activities. Provide the title, subject, and purpose (related to the mandate of the training session), dates attended, and location. If the training encompasses subjects broader than the reimbursable activities, only the pro-rata portion can be claimed. Report employee training time for each applicable reimbursable activity according to the rules of cost element A.1, Salaries and Benefits, and A.2, Materials and Supplies. Report the cost of consultants who conduct the training according to the rules of cost element A.3, Contracted Services.

## B. Indirect Cost Reporting

### 1. Local Agencies

Indirect costs are costs that are incurred for a common or joint purpose, benefiting more than one program, and are not directly assignable to a particular department or program without efforts disproportionate to the result achieved. Indirect costs may include both (1) overhead costs of the unit performing the mandate; and (2) the costs of the central government services distributed to the other departments based on a systematic and rational basis through a cost allocation plan.

Compensation for indirect costs is eligible for reimbursement utilizing the procedure provided in the Office of Management and Budget (OMB) Circular A-87. Claimants have the option of using 10% of direct labor, excluding fringe benefits, or preparing an Indirect Cost Rate Proposal (ICRP) if the indirect cost rate claimed exceeds 10%.

If the claimant chooses to prepare an ICRP, both the direct costs (as defined and described in OMB Circular A-87 Attachments A and B) and the indirect costs shall exclude capital expenditures and unallowable costs (as defined and described in OMB A-87 Attachments A and B). However, unallowable costs must be included in the direct costs if they represent activities to which indirect costs are properly allocable.

The distribution base may be (1) total direct costs (excluding capital expenditures and other distorting items, such as pass-through funds, major subcontracts, etc.), (2) direct salaries and wages, or (3) another base which results in an equitable distribution.

In calculating an ICRP, the Claimant shall have the choice of one of the following methodologies:

- a. The allocation of allowable indirect costs (as defined and described in OMB Circular A-87 Attachments A and B) shall be accomplished by (1) classifying a department's total costs for the base period as either direct or indirect, and (2) dividing the total allowable indirect costs (net of applicable credits) by an equitable distribution base. The result of this process is an indirect cost rate which is used to distribute indirect costs to mandates. The rate should be expressed as a percentage which the total amount allowable indirect costs bears to the base selected; or
- b. The allocation of allowable indirect costs (as defined and described in OMB Circular A-87 Attachments A and B) shall be accomplished by (1) separating a department into groups, such as divisions or sections, and then classifying the division's or section's total costs for the base period as either direct or indirect, and (2) dividing the total allowable indirect costs (net of applicable credits) by an equitable distribution base. The result of this process is an indirect cost rate that is used to distribute indirect costs to mandates. The rate should be expressed as a percentage which the total amount allowable indirect costs bears to the base selected.

## 2. School Districts

Indirect costs are costs that have been incurred for common or joint purposes. These costs benefit more than one cost objective and cannot be readily identified with a particular final cost objective without effort disproportionate to the results achieved. After direct costs have been determined and assigned to other activities, as appropriate, indirect costs are those remaining to be allocated to benefited cost objectives. A cost may not be allocated as an indirect cost if any other cost incurred for the same purpose, in like circumstances, has been claimed as a direct cost.

Indirect costs include: (a) the indirect costs originating in each department or agency of the governmental unit carrying out state mandated programs, and (b) the costs of central governmental services distributed through the central service cost allocation plan and not otherwise treated as direct costs.

School districts must use the J-380 (or subsequent replacement) non-restrictive indirect cost rate provisionally approved by the California Department of Education.

## 3. County Offices of Education

County offices of education must use the J-580 (or subsequent replacement) non-restrictive indirect cost rate provisionally approved by the California Department of Education.

#### 4. Community College Districts

Community colleges have the option of using: (1) a federally approved rate, utilizing the cost accounting principles from the Office of Management and Budget Circular A-21, "Cost Principles of Educational Institutions"; (2) the rate calculated on State Controller's Form FAM-29C; or (3) a 7% indirect cost rate.

### **VI. RECORD RETENTION**

Pursuant to Government Code section 17558.5, subdivision (a), a reimbursement claim for actual costs filed by a local agency or school district pursuant to this chapter<sup>1</sup> is subject to the initiation of an audit by the Controller no later than three years after the date that the actual reimbursement claim is filed or last amended, whichever is later. However, if no funds are appropriated or no payment is made to a claimant for the program for the fiscal year for which the claim is filed, the time for the Controller to initiate an audit shall commence to run from the date of initial payment of the claim. All documents used to support the reimbursable activities, as described in Section IV, must be retained during the period subject to audit. If an audit has been initiated by the Controller during the period subject to audit, the retention period is extended until the ultimate resolution of any audit findings.

### **VII. OFFSETTING SAVINGS AND OTHER REIMBURSEMENT**

Any offsetting savings the claimant experiences in the same program as a direct result of the same statutes or executive orders found to contain the mandate shall be deducted from the costs claimed. In addition, reimbursement for this mandate from any source, including but not limited to, services fees collected, federal funds, and other state funds, shall be identified and deducted from this claim.

### **VIII. STATE CONTROLLER'S CLAIMING INSTRUCTIONS**

Pursuant to Government Code section 17558, subdivision (b), the Controller shall issue claiming instructions for each mandate that requires state reimbursement not later than 60 days after receiving the adopted parameters and guidelines from the Commission, to assist local agencies and school districts in claiming costs to be reimbursed. The claiming instructions shall be derived from the statute or executive order creating the mandate and the parameters and guidelines adopted by the Commission.

Pursuant to Government Code section 17561, subdivision (d)(1), issuance of the claiming instructions shall constitute a notice of the right of the local agencies and school districts to file reimbursement claims, based upon parameters and guidelines adopted by the Commission.

### **IX. REMEDIES BEFORE THE COMMISSION**

Upon request of a local agency or school district, the Commission shall review the claiming instructions issued by the State Controller or any other authorized state agency for reimbursement of mandated costs pursuant to Government Code section 17571. If the Commission determines that the claiming instructions do not conform to the parameters and guidelines, the Commission shall direct the Controller to modify the claiming instructions and

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<sup>1</sup> This refers to Title 2, division 4, part 7, chapter 4 of the Government Code.

the Controller shall modify the claiming instructions to conform to the parameters and guidelines as directed by the Commission.

In addition, requests may be made to amend parameters and guidelines pursuant to Government Code section 17557, subdivision (a), and California Code of Regulations, title 2, section 1183.2.

**(Continue to Appendix A)**



## PARAMETERS AND GUIDELINES

Statutes 1975, Chapter 486

Statutes 1984, Chapter 1459

### APPENDIX A

#### Limitation on Reimbursement for Independent Contractor Costs During Fiscal Years 1995-1996, 1996-1997, 1997-1998, 1998-1999, 1999-2000, 2000-2001, 2001-2002, and 2002-2003<sup>2</sup>

- A. If a local agency or school district contracts with an independent contractor for the preparation and submission of reimbursement claims, the costs reimbursable by the state for that purpose shall not exceed the lesser of (1) 10 percent of the amount of the claims prepared and submitted by the independent contractor, or (2) the actual costs that would necessarily have been incurred for that purpose if performed by employees of the local agency or school district.
- The maximum amount of reimbursement provided in subdivision (a) for an independent contractor may be exceeded only if the local agency or school district establishes, by appropriate documentation, that the preparation and submission of these claims could not have been accomplished without incurring the additional costs claimed by the local agency or school district.
- B. Costs incurred for contract services and/or legal counsel that assist in the preparation, submission and/or presentation of claims are recoverable within the limitations imposed under A. above. Provide copies of the invoices and/or claims that were paid. For the preparation and submission of claims pursuant to Government Code sections 17561 and 17564, submit an estimate of the actual costs that would have been incurred for that purpose if performed by employees of the local agency or school district; this cost estimate is to be certified by the governing body or its designee.

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<sup>2</sup> The limitation added by (1) the Budget Act of 1995, Statutes 1995, chapter 303, in Item 0840-001-0001, Provision 11, and in Item 8885-001-0001, Provision 1, (2) the Budget Act of 1996, Statutes 1996, chapter 162, in Item 0840-001-0001, Provision 9, and in Item 8885-001-0001, Provision 1, (3) the Budget Act of 1997, Statutes 1997, chapter 282, in Item 0840-001-0001, Provision 9, and in Item 8885-001-0001, Provision 1, and (4) the Budget Act of 1998, Statutes 1998, chapter 324, in Item 0840-001-0001, Provision 8, and Item 8885-001-0001, Provision 1, (5) the Budget Act of 1999, Statutes 1999, chapter 50, in Item 0840-001-0001, Provision 8, and in Item 8885-001-0001, Provision 1, (6) the Budget Act of 2000, Statutes 2000, chapter 52, in Item 0840-001-0001, Provision 8, and in Item 8885-001-0001, Provision 1, (7) the Budget Act of 2001, Statutes 2001, chapter 106, in Item 0840-001-0001, Provision 8, and in Item 8885-001-0001, Provision 1, (8) the Budget Act of 2002, Statutes 2002, chapter 379, in Item 0840-001-0001, Provision 8, and in Item 8885-001-0001, Provision 1, is shown as part A. of this Appendix.

If reimbursement is sought for independent contractor costs that are in excess of **[Test (1)]** ten percent of the claims prepared and submitted by the independent contractor or **[Test (2)]** the actual costs that necessarily would have been incurred for that purpose if performed by employees or the local school district, appropriate documentation must be submitted to show that the preparation and submission of these claims could not have been accomplished without the incurring of the additional costs claimed by the local agency or school district. Appropriate documentation includes the record of dates and time spent by staff of the contractor for the preparation and submission of claims on behalf of the local agency or school district, the contractor's billed rates, and explanation on reasons for exceeding Test (1) and/or Test (2). In the absence of appropriate documentation, reimbursement is limited to the lesser of Test (1) and/or Test (2). No reimbursement shall be permitted for the cost of contracted services without the submission of an estimate of actual costs by the local agency or school district.

<b>CLAIM FOR PAYMENT</b> <b>Pursuant to Government Code Section 17561</b> <b>MANDATED REIMBURSEMENT PROCESS</b>			<b>For State Controller Use Only</b>		<b>Program</b> <span style="font-size: 2em; font-weight: bold;">237</span>	
(01) Claimant Identification Number			(19) Program Number 00237			
(02) Claimant Name			(20) Date Filed ____/____/____			
County of Location			(21) LRS Input ____/____/____			
Street Address or P.O. Box			(22) MRP-1, (03)(a)			
Suite			(23) MRP-1, (03)(b)			
City			(24) MRP-1, (03)(c)			
State			(25) MRP-1, (04)(1)(e)			
Zip Code			(26) MRP-1, (04)(2)(e)			
<b>Type of Claim</b> (03) Estimated <input type="checkbox"/> (04) Combined <input type="checkbox"/> (05) Amended <input type="checkbox"/>		<b>Estimated Claim</b> (09) Reimbursement <input type="checkbox"/> (10) Combined <input type="checkbox"/> (11) Amended <input type="checkbox"/>		<b>Reimbursement Claim</b> (27) MRP-1, (04)(3)(e) (28) MRP-1, (06) (29) MRP-1, (07)		
Fiscal Year of Cost		(06) 20__ / 20__		(12) 20__ / 20__		
Total Claimed Amount		(07)		(30) MRP-1, (09)		
Less: 10% Late Penalty, not to exceed \$1,000		(13)		(31) MRP-1, (10)		
Less: Prior Claim Payment Received		(14)		(32)		
Net Claimed Amount		(15)		(33)		
Due from State		(16)		(34)		
Due to State		(17)		(35)		
		(18)		(36)		
<b>(37) CERTIFICATION OF CLAIM</b>  <p>In accordance with the provisions of Government Code Section 17561, I certify that I am the officer authorized by the community college district to file mandated cost claims with the State of California for this program, and certify under penalty of perjury that I have not violated any of the provisions of Government Code Sections 1090 to 1098, inclusive.</p> <p>I further certify that there was no application other than from the claimant, nor any grant or payment received, for reimbursement of costs claimed herein, and such costs are for a new program or increased level of services of an existing program. All offsetting savings and reimbursements set forth in the Parameters and Guidelines are identified, and all costs claimed are supported by source documentation currently maintained by the claimant.</p> <p>The amounts for this Estimated Claim and/or Reimbursement Claim are hereby claimed from the State for payment of estimated and/or actual costs set forth on the attached statements. I certify under penalty of perjury under the laws of the the State of California that the foregoing is true and correct.</p> <div style="display: flex; justify-content: space-between; margin-top: 20px;"> <div style="width: 60%;">           Signature of Authorized Officer             _____            Type or Print Name         </div> <div style="width: 35%;">           Date             _____            Title         </div> </div> <div style="margin-top: 10px;">           (38) Name of Contact Person for Claim _____ Telephone Number (    )    -    Ext.               E-Mail Address _____         </div>						

<b>Program</b> <b>237</b>	<b>MANDATE REIMBURSEMENT PROCESS</b> <b>Certification Claim Form</b> <b>Instructions</b>	<b>FORM</b> <b>FAM-27</b>
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- (01) Enter the payee number assigned by the State Controller's Office.
- (02) Enter your Official Name, County of Location, Street or P. O. Box address, City, State, and Zip Code.
- (03) If filing a combined estimated claim, enter an "X" in the box on line (03) Estimated.
- (04) Leave blank.
- (05) If filing an amended estimated claim, enter an "X" in the box on line (05) Amended.
- (06) Enter the fiscal year in which costs are to be incurred.
- (07) Enter the amount of the estimated claim. If the estimate exceeds the previous year's actual costs by more than 10%, complete form MRP-1 and enter the amount from line (11).
- (08) Enter the same amount as shown on line (07).
- (09) If filing a reimbursement claim, enter an "X" in the box on line (09) Reimbursement.
- (10) Leave blank.
- (11) If filing an amended reimbursement claim, enter an "X" in the box on line (11) Amended.
- (12) Enter the fiscal year for which actual costs are being claimed. If actual costs for more than one fiscal year are being claimed, complete a separate form FAM-27 for each fiscal year.
- (13) Enter the amount of the reimbursement claim from form MRP-1, line (11). The total claimed amount must exceed \$1,000.
- (14) **Filing Deadline.** Reimbursement claims for fiscal year 2001-02 and estimated claims for fiscal year 2002-03 must be filed by **September 9, 2003**. Thereafter, reimbursement claims must be filed by January 15 of the following fiscal year in which costs were incurred or the claims shall be reduced by a late penalty of 10%. Enter zero if the claim was timely filed, otherwise, enter the product of multiplying line (13) by the factor 0.10 (10% penalty), or \$1,000, whichever is less.
- (15) If filing a reimbursement claim and a claim was previously filed for the same fiscal year, enter the amount received for the claim. Otherwise, enter a zero.
- (16) Enter the result of subtracting line (14) and line (15) from line (13).
- (17) If line (16), Net Claimed Amount, is positive, enter that amount on line (17), Due from State.
- (18) If line (16), Net Claimed Amount, is negative, enter that amount on line (18), Due to State.
- (19) to (21) Leave blank.
- (22) to (36) Reimbursement Claim Data. Bring forward the cost information as specified on the left-hand column of lines (22) through (36) for the reimbursement claim, e.g. MRP-1, (04)(1)(e), means the information is located on form MRP-1, block (04), line (1), column (e). Enter the information on the same line but in the right-hand column. Cost information should be rounded to the nearest dollar, i.e., no cents. Indirect costs percentage should be shown as a whole number and without the percent symbol, i.e., 7.548% should be shown as 8. **Completion of this data block will expedite the payment process.**
- (37) Read the statement "Certification of Claim." If it is true, the claim must be dated, signed by the agency's authorized officer, and must include the person's name and title, typed or printed. **Claims cannot be paid unless accompanied by an original signed certification. (To expedite the payment process, please sign the form FAM-27 with blue ink, and attach a copy of the form FAM-27 to the top of the claim package.)**
- (38) Enter the name, telephone number, and e-mail address of the person to contact if additional information is required.

**SUBMIT A SIGNED ORIGINAL, AND A COPY OF FORM FAM-27, WITH ALL OTHER FORMS AND SUPPORTING DOCUMENTS TO:**

**Address, if delivered by U.S. Postal Service:**

**OFFICE OF THE STATE CONTROLLER  
 ATTN: Local Reimbursements Section  
 Division of Accounting and Reporting  
 P.O. Box 942850  
 Sacramento, CA 94250**

**Address, if delivered by other delivery service:**

**OFFICE OF THE STATE CONTROLLER  
 ATTN: Local Reimbursements Section  
 Division of Accounting and Reporting  
 3301 C Street, Suite 500  
 Sacramento, CA 95816**

<b>Program</b> <span style="font-size: 2em; font-weight: bold;">237</span>	<b>MANDATED COSTS</b> <b>MANDATE REIMBURSEMENT PROCESS</b> <b>CLAIM SUMMARY</b>	<b>FORM</b> <b>MRP-1</b>			
(01) Claimant	(02) Type of Claim Reimbursement <input type="checkbox"/> Estimated <input type="checkbox"/>	Fiscal Year 20__/20__			
<b>Claim Statistics</b>					
(03) Chapter/Statute, Name, and Number of Mandates	(a) Test Claims	(b) Reimbursement/ Incorrect Reduction Claims	(c) Training		
Total Number of Claims Filed					
<b>Direct Costs</b>	<b>Object Accounts</b>				
(04) Reimbursable Components	(a) Salaries & Benefits	(b) Services & Supplies	(c) Travel & Training	(d) Fixed Assets	(e) Total
1. Test Claims					
2. Reimbursement Claims					
3. Training					
(05) Total Direct Costs					
<b>Indirect Costs</b>					
(06) Indirect Cost Rate [Federally approved OMB A-21, FAM-29C, or 7%]					%
(07) Total Indirect Costs [Line (06) x line (05)(a)]					
(08) Total Direct and Indirect Costs [Line (05)(e) + line (07)]					
<b>Cost Reduction</b>					
(09) Less: Offsetting Savings					
(10) Less: Other Reimbursements					
(11) Total Claimed Amount [Line (08) - {line (09) + line (10)}]					

<b>Program</b> <b>237</b>	<b>MANDATE REIMBURSEMENT PROCESS</b> <b>Certification Claim Form</b> <b>Instructions</b>	<b>FORM</b> <b>MRP-1</b>
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- (01) Enter the name of the claimant.
- (02) Type of Claim. Check a box, Reimbursement or Estimated, to identify the type of claim being filed. Enter the fiscal year for which costs were incurred or are to be incurred.
- Form MRP-1 must be filed for a reimbursement claim. Do not complete form MRP-1 if you are filing an estimated claim and the estimate does not exceed the previous fiscal year's actual costs by more than 10%. Simply enter the amount of the estimated claim on form FAM-27, line (07). However, if the estimated claim exceeds the previous fiscal year's actual costs by more than 10%, form MRP-1 must be completed and a statement attached explaining the increased costs. Without this information the estimated claim will automatically be reduced to 110% of the previous fiscal year's actual costs.
- (03) **Test Claims:** Enter the chapter/statute or state regulation and program name. Give the date when the successful test claim was heard by the Commission on State Mandates. Enter an "X" in column (a) for each program.
- Reimbursement Claims/Incorrect Reduction Claims:** List each chapter/statute or state regulation and program name that is included in the claim preparation costs. Enter an "X" in column (b) for each program. Give the date when the successfully appealed incorrect reduction claim was heard by the Commission on State Mandates.
- Training:** Enter the chapter/statute or state regulation and program name. Give the date when the training took place. Enter an "X" in column (c).
- Total the "X"s in each column. Attach a separate schedule if more space is needed to meet your requirements.
- (04) Reimbursable Components. For each reimbursable component, enter the total from form MRP-2, line (05), columns (d), (e), (f), and (g) to form MRP-1, block (04) columns (a), (b), (c), and (d) in the appropriate row. Total each row and enter in column (e).
- (05) Total Direct Costs. Total columns (a) through (e).
- (06) Indirect Cost Rate. Community college districts may use the federally approved OMBA-21 rate, the rate computed using form FAM 29C, or a 7% indirect cost rate, for the fiscal year of costs.
- (07) Total Indirect Costs. Enter the result of multiplying Total Salaries and Benefits, line (05)(a), by the Indirect Cost Rate, line (06).
- (08) Total Direct and Indirect Costs. Enter the sum of Total Direct Costs, line (05)(e), and Total Indirect Costs, line (07).
- (09) Less: Offsetting Savings. If applicable, enter the total savings experienced by the claimant as a direct result of this mandate. Submit a detailed schedule of savings with the claim.
- (10) Less: Other Reimbursements. If applicable, enter the amount of other reimbursements received from any source including, but not limited to, service fees collected, federal funds, and other state funds, which reimbursed any portion of the mandated cost program. Submit a schedule detailing the reimbursement sources and amounts.
- (11) Total Claimed Amount. Subtract the sum of Offsetting Savings, line (09), and Other Reimbursements, line (10), from Total Direct and Indirect Costs, line (08). Enter the remainder on this line and carry the amount forward to form FAM-27, line (07) for the Estimated Claim, or line (13) for the Reimbursement Claim.

<b>Program</b> <span style="font-size: 2em; font-weight: bold;">237</span>	<b>MANDATED COSTS</b> <b>MANDATE REIMBURSEMENT PROCESS</b> <b>COMPONENT/ACTIVITY COST DETAIL</b>					<b>FORM</b> <b>MRP-2</b>
(01) Claimant				(02) Fiscal Year		
(03) Reimbursable Component: Check only <b>one</b> box per form to identify the component being claimed. <div style="display: flex; justify-content: space-around; align-items: flex-start;"> <div><input type="checkbox"/> Test Claims</div> <div><input type="checkbox"/> Reimbursement Claims</div> <div><input type="checkbox"/> Incorrect Reduction Claims</div> </div>						
(04) Description of Expenses				<b>Object Accounts</b>		
(a) Employee Names, Job Classifications, Functions Performed, and Description of Expenses	(b) Hourly Rate or Unit Cost	(c) Hours Worked or Quantity	(d) Salaries and Benefits	(e) Services and Supplies	(f) Travel and Training	(g) Fixed Assets
(05) Total <input type="text"/> Subtotal <input type="text"/> Page: ____ of ____						

<b>Program</b> <b>237</b>	<b>MANDATE REIMBURSEMENT PROCESS</b> <b>CLAIM SUMMARY</b> <b>Instructions</b>	<b>FORM</b> <b>MRP-2</b>
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- (01) Enter the name of the claimant. If more than one department has incurred costs for the mandate, give the name of each department. A form MRP-2 should be completed for each department.
- (02) Enter the fiscal year in which costs were incurred.
- (03) Reimbursable Components. Check only one box per form to indicate the cost component being claimed. A separate form MRP-2 shall be prepared for each applicable component.
- (04) Description of Expenses. The following table identifies the type of information required to support reimbursable costs. Allowable costs for the following cost components include, but are not limited to:
- **Test Claim** - Salaries and benefits, supplies, consultants and legal services, travel, etc.
  - **Reimbursement Claim/Incorrect Reduction Claim** - Salaries and benefits, supplies, contracted services.etc.,
  - **Training** - Registration fee.

To detail costs for the component activity box "checked" in block (03), enter the employee names, position titles, a brief description of the activities performed, actual time spent by each employee, productive hourly rates, fringe benefits, supplies used, contract services, etc. **The descriptions required in column (4)(a) must be of sufficient detail to explain the cost of activities or items being claimed.** For audit purposes, all supporting documents must be retained by the claimant for a period of not less than three years after the date the claim was filed or last amended, whichever is later. If no funds were appropriated and no payment was made at the time the claim was filed, the time for the Controller to initiate an audit shall be from the date of initial payment of the claim. Such documents shall be made available to the State Controller's Office on request.

Object/ Sub object Accounts	Columns							Submit these supporting documents with the claim
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	
<b>Salaries</b>	Employee Name	Hourly Rate	Hours Worked	Salaries = Hourly Rate x Hours Worked				
<b>Benefits</b>	Title	Benefit Rate		Benefits = Benefit Rate x Salaries				
	Activities							
<b>Services &amp; Supplies</b>	Name of Contractor	Hourly Rate	Hours Worked Inclusive Dates of Service		Cost = Hourly Rate x Hours Worked			Copy of Contract
Contract Services	Specific Tasks Performed							
Office Supplies	Description of Supplies Used	Unit Cost	Quantity Used		Cost = Unit Cost x Quantity Used			
<b>Travel &amp; Training</b>	Purpose of Trip Name and Title Departure and Return Date	Per Diem Rate Mileage Rate Travel Cost	Days Miles Travel Mode			Cost=Rate x Days or Miles or Total Trave; Cost		
Travel								
<b>Training</b>	Employee Name and Title		Dates Attended			Registration Fee		
	Name of Class							
<b>Fixed Assets</b>	Description of Equipment Purchased	Unit Cost	Usage				Cost = Unit Cost x Usage	

- (05) Total line (04), columns (d), (e), (f), and (g) and enter the sum on this line. Check the appropriate box to indicate if the amount is a total or subtotal. If more than one form is needed to detail the component costs, number each page. Enter totals from line (05), columns (d), (e), (f), and (g) to form MRP-1, block (04), columns (a), (b), (c), and (d) in the appropriate row.



OFFICE OF THE STATE CONTROLLER  
STATE MANDATED COSTS CLAIMING INSTRUCTIONS NO. 2002-11  
OPEN MEETINGS ACT/BROWN ACT REFORM  
(COMMUNITY COLLEGES)

In accordance with Government Code (GC) Section 17561, eligible claimants may submit claims to the State Controller's Office (SCO) for reimbursement of costs incurred for state mandated cost programs. The following are claiming instructions and forms that eligible claimants will use for the filing of claims for the Open Meetings Act/Brown Act Reform (BAR) program. These claiming instructions are issued subsequent to the adoption of the program's parameters and guidelines (P's & G's) by the Commission on State Mandates (COSM).

GC Sections 54952, 54954.2, 54957.1, and 54957.7 require that legislative bodies of community college districts comply with certain changes to the Ralph M. Brown Act, also known as the Open Meetings Act. The test claim legislation expanded the types of legislative bodies required to comply with the notice and agenda requirements of GC Sections 54954.2 and 54954.3.

On June 28, 2001, the COSM determined that the BAR program establishes costs mandated by the State according to the provisions listed in the attached amended P's & G's. For your reference, the P's & G's are included as an integral part of the claiming instructions.

**Eligible Claimants**

Any community college district, that incurs increased costs as a direct result of this mandate is eligible to claim reimbursement of these costs.

**Reimbursement Options**

Three reimbursement options were established by the COSM for costs incurred during a fiscal year: Actual Time, Standard-Time, and Flat-Rate. All meetings of the same type or name must be claimed using the same basis for the entire fiscal year. However, the meetings may be claimed using a different basis during a subsequent fiscal year. For each type or name of a meeting claimed, claimants shall select one of the following reimbursement options:

**A. Actual Time**

Actual costs of administering the BAR program in compliance with this mandate may be claimed. **Eligible claimants must claim actual costs incurred for subsequent reporting of action taken in closed session, providing copies of documents approved or adopted in closed session, and training. See Section V. A. (page 6) of the P's & G's.** The following are reimbursable activities related to the BAR program: Salaries and benefits, materials and supplies, contract services, travel and training, and fixed assets. Forms BAR-2A and BAR-3 must be completed to claim actual costs associated with this mandate. Forms BAR-1 and FAM-27 are then used to summarize these costs.

## B. Standard-Time

In lieu of actual time, a standard-time allowance of 10 or 45 minutes per agenda item, based on enrollment size of the district, as provided for in the P's & G's, shall be used to calculate the cost of each brief agenda that was prepared during the fiscal year. This standard-time allowance covers the direct and, if applicable, the indirect costs incurred in compliance with this mandate. Forms BAR-2S and BAR-3 must be completed to claim standard-time costs associated with this mandate. Forms BAR-1 and FAM-27 are then used to summarize these costs.

## C. Flat-Rate

In lieu of actual costs, a flat-rate allowance of \$90.10 per meeting for the base fiscal year of 1993-94, as provided for in the P's & G's, shall be used to claim the cost of each agenda that was prepared during the fiscal year. The flat-rate allowance includes all costs incurred for preparing and posting an agenda including closed session agenda items. **Claimants who filed reimbursement claims under the Open Meetings Act program using the flat rate option cannot file another reimbursement claim using this option for initial year costs for agenda preparation of closed session items under the BAR program. Refer to Sections III. and IV. of the P's and G's.** The direct and indirect costs incurred in compliance with this mandate will be adjusted each subsequent fiscal year by the Implicit Price Deflator. Forms BAR-2F and BAR-3 must be completed to claim flat-rate costs associated with this mandate. Forms BAR-1 and FAM-27 are then used to summarize these costs.

## Filing Deadlines

Eligible claimants have the option of filing new reimbursement claims for the period January 1, 1994, to June 30, 1994, and fiscal years 1994-95 through 2000-01 for reimbursable activities incurred **only** in compliance with the BAR mandate pursuant to these P's & G's. **The initial years' costs shall not include any costs that were claimable or reimbursed pursuant to the Open Meetings Act (OMA) program per claiming instructions 2000-15 and 16. Annual claims, commencing with the 2001-02 fiscal year, shall include all costs for the OMA and BAR programs. See Section I. of the P's & G's for the expanded types of "legislative bodies" required to comply with the notice and agenda requirements of GC §§ 54954.2 and 54954.3.**

### A. Initial Claims

Initial claims must be filed within 120 days from the issuance date of claiming instructions. Reimbursement claims for the period January 1, 1994, to June 30, 1994, and fiscal years 1994-95 through 2001-02 must be filed with the SCO and be delivered or postmarked on or before **October 30, 2002**. Annually thereafter, having received payment for an estimated claim, the claimant must file a reimbursement claim by **January 15** of the following fiscal year. Claims filed after the deadline will be reduced by a late penalty of 10%, not to exceed \$1,000. All initial reimbursement claims will be considered as one claim for the purpose of computing the late claim penalty. If the claims are late, the penalty should be applied to a single fiscal year. Do not prorate the penalty among fiscal years. In order for a claim to be considered properly filed, it must include any specific supporting documentation requested in the instructions. **Claims filed more**

**than one year after the deadline or without the requested supporting documentation will not be accepted.**

## **B. Estimated Claims**

Estimated claims for fiscal year 2002-03 must be filed with the SCO and postmarked by **October 30, 2002**. Thereafter, they must be filed with the SCO and postmarked by January 15 of the fiscal year in which costs will be incurred. Timely filed claims are paid before late claims.

Unless otherwise specified in the claiming instructions, community colleges are not required to provide cost schedules and supporting documents with an estimated claim if the estimated amount does not exceed the previous fiscal year's actual costs by more than 10%. The claimant can simply enter the estimated amount on form FAM-27, line (07). However, if the estimated claim exceeds the previous fiscal year's actual costs by more than 10%, the claimant must complete supplemental claim forms to support their estimated costs as specified for the program to explain the reason for the increased costs. If no explanation supporting the higher estimate is provided with the claim, it will automatically be adjusted to 110% of the previous fiscal year's actual costs.

## **Minimum Claim Cost**

For initial claims and annual claims filed **on or after September 30, 2002**, if the total costs for a given year do not exceed **\$1,000**, no reimbursement shall be allowed except as otherwise allowed by GC Sections 17564.

## **Reimbursement Claims**

Initial reimbursement claims will only be reimbursed to the extent that expenditures can be supported and if such information is unavailable, claims will be reduced. In addition, ongoing reimbursement claims must be supported by documentation as evidence of the expenditures. Examples of documentation may include, but are not limited to, copies of agendas, employee time records that identify mandate activities, payroll records, invoices, receipts, contracts, travel expense vouchers, purchase orders, and caseload statistics.

## **Audit of Costs**

All claims submitted to the SCO are reviewed to determine if costs are related to the mandate, are reasonable and not excessive, and the claim was prepared in accordance with the P's & G's adopted by the COSM. If any adjustments are made to a claim, a "Notice of Claim Adjustment" specifying the claim component adjusted, the amount adjusted, and the reason for the adjustment, will be mailed within 30 days after payment of the claim.

On-site audits will be conducted by the SCO as deemed necessary. Accordingly, all documentation to support actual costs claimed must be retained for a period of three years after the end of the calendar year in which the reimbursement claim was filed or amended regardless of the year the costs were incurred. When no funds are appropriated for initial claims at the time the claim is filed, supporting documents must be retained for three years from the date of initial payment of the claim. Claim documentation shall be made available to the SCO upon request.

## Retention of Claiming Instructions

Claiming instructions and forms should be retained permanently in your Mandated Cost Manual for future reference and use in filing claims. These forms should be duplicated to meet your filing requirements. You will be notified of updated forms or changes to claiming instructions as necessary. For your reference, these and future mandated costs claiming instructions and forms can be found on the Internet at [www.sco.ca.gov/ard/local/locreim/index.shtml](http://www.sco.ca.gov/ard/local/locreim/index.shtml).

## Address for Filing Claims

Claims should be rounded to the nearest dollar. Submit a signed original and a copy of form FAM-27, Claim for Payment, and all other forms and supporting documents. **(To expedite the payment process, please sign the form in blue ink, and attach a copy of the form FAM-27 to the top of the claim package.)** Use the following mailing addresses:

If delivered by  
U.S. Postal Service:

Office of the State Controller  
Attn: Local Reimbursements Section  
Division of Accounting and Reporting  
P.O. Box 942850  
Sacramento, CA 94250

If delivered by  
other delivery services:

Office of the State Controller  
Attn: Local Reimbursements Section  
Division of Accounting and Reporting  
3301 C Street, Suite 500  
Sacramento, CA 95816

## **Parameters and Guidelines**

Government Code Sections 54952, 54954.2, 54954.3, 54957.1, and 54957.7

Statutes of 1986, Chapter 641

Statutes of 1993, Chapters 1136, 1137 and 1138

### *Open Meetings Act/Brown Act Reform*

#### **I. SUMMARY OF THE MANDATE**

Government Code sections 54952, 54954.2, 54957.1 and 54957.7, require that “legislative bodies” of local agencies comply with certain changes to the Ralph M. Brown Act, also known as the Open Meetings Act.

On June 28, 2001, the Commission on State Mandates (Commission) adopted its Statement of Decision on the *Brown Act Reform* test claim (CSM-4469). The Commission found that Government Code sections 54952, 54954.2, 54957.1, and 54957.7, as added and amended by Statutes of 1993, chapters 1136, 1137, and 1138, constitutes a reimbursable state mandated program upon local governments within the meaning of article XIII B, section 6 of the California Constitution and Government Code section 17514. The test claim legislation expanded the types of “legislative bodies” required to comply with the notice and agenda requirements of Government Code sections 54954.2 and 54954.3, to include:

- Local Bodies created by state or federal statute.
- Standing Committees with less than a quorum of members of the legislative body that has a continuing subject matter jurisdiction or a meeting schedule fixed by formal action.
- Permanent & Temporary Advisory Bodies (except bodies of less than a quorum of the members of the legislative body).

It also required all “legislative bodies” to perform a number of additional activities in relation to the closed session requirements of the Brown Act, as follows:

- To include a brief general description on the agenda of all items to be discussed in closed session. A brief general description of an item generally need not exceed 20 words. (Gov. Code, § 54954.2, subd. (a).)
- To disclose in an open meeting, prior to holding any closed session, each item to be discussed in the closed session. (Gov. Code, § 54957.7, subd. (a).)
- To reconvene in open session prior to adjournment and report the actions and votes taken in closed session for the five items identified in Government Code section 54957.1, subdivision (a)(1-4, 6). (Gov. Code, § 54957.7, subd. (b).)
- To provide copies of closed session documents as required. (Gov. Code, § 54957.1, subd. (b) and (c).)

The Commission previously adopted two test claims on the Brown Act:

#### 1. Open Meetings Act

On March 23, 1988, the Commission adopted the *Open Meetings Act* test claim (CSM-4257). Statutes of 1986, chapter 641, added Government Code section 54954.2 to require that the legislative body of the local agency, or its designee, post an agenda containing a brief general description of each item of business to be transacted or discussed at the regular meeting, subject to exceptions stated therein, specifying the time and location of the regular meeting and requiring that the agenda be posted at least 72 hours before the meeting in a location freely accessible to the public. The following types of “legislative bodies” were eligible for reimbursement:

- Governing board, commission, directors or body of a local agency or any board or commission thereof, as well as any board, commission, committee, or other body on which officers of a local agency serve in their official capacity.
- Any board, commission, committee, or body which exercises authority delegated to it by the legislative body.
- Planning commissions, library boards, recreation commissions, and other permanent boards or commissions of a local agency composed of at least a quorum of the members of the legislative body.

Statutes of 1986, chapter 641 also added Government Code section 54954.3 to provide an opportunity for members of the public to address the legislative body on specific agenda items or any item of interest that is within the subject matter jurisdiction of the legislative body, and this opportunity for comment must be stated on the posted agenda.

#### 2. School Site Councils and Brown Act Reform

On April 27, 2000, the Commission approved the *School Site Councils and Brown Act Reform* test claim (CSM-4501). This test claim was based on Government Code section 54954 and Education Code section 35147, which addressed the application of the open meeting act provisions of the Brown Act to specified school site councils and advisory committees of school districts.<sup>1</sup>

### II. ELIGIBLE CLAIMANTS

Any county, city, a city and county, school or special district that incurs increased costs as a result of this reimbursable state mandated program is eligible to claim reimbursement of those costs.

### III. PERIOD OF REIMBURSEMENT

Government Code section 17557, prior to its amendment by Statutes of 1998, chapter 681 (effective September 22, 1998), stated that a test claim must be submitted on or before December 31 following a given fiscal year to establish eligibility for reimbursement for that fiscal year. The test claim for *Brown Act Reform* was filed on December 29, 1994. Statutes of 1993, chapters 1136, 1137, and 1138, became effective January 1, 1994. Therefore, costs

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<sup>1</sup> The parameters and guidelines for the *School Site Councils and Brown Act Reform* test claim are not included in these parameters and guidelines.

incurred on or after January 1, 1994 for compliance with the *Brown Act Reform* mandate are eligible for reimbursement.

Actual costs for one fiscal year shall be included in each claim. Estimated costs for the subsequent year may be included on the same claim, if applicable. Pursuant to Government Code section 17561, subdivision (d)(1), all claims for reimbursement of initial years' costs shall be submitted within 120 days of notification by the State Controller of the issuance of claiming instructions.

If total costs for a given fiscal year do not exceed \$200, no reimbursement shall be allowed except as otherwise allowed by Government Code section 17564.

Initial years' costs shall not include any costs that were claimable or reimbursed pursuant to *Open Meetings Act* Parameters and Guidelines as amended on December 4, 1991 or November 30, 2000. Reimbursement for these costs must be claimed as prescribed in the Controller's Claiming Instructions No. 2000-15 and 2000-16 for local agencies and schools, respectively.

Annual claims, commencing with the 2001-2002 fiscal year, shall include all costs for *Open Meetings Act* and *Brown Act Reform*.

#### **IV. REIMBURSABLE ACTIVITIES**

For each eligible claimant, the following activities are eligible for reimbursement:

##### **A. Agenda Preparation and Posting Activities**

1. Prepare a single agenda for a regular meeting of a legislative body of a local agency or school district containing a brief description of each item of business to be transacted or discussed at a regular meeting, including items to be discussed in closed session, and citing the time and location of the regular meeting.<sup>2</sup> (Gov. Code, § 54954.2, subd. (a).)
2. Post a single agenda 72 hours before a meeting in a location freely accessible to the public. Further, every agenda must state that there is an opportunity for members of the public to comment on matters that are within the subject matter jurisdiction of the legislative body, subject to exceptions stated therein. (Gov. Code, §§ 54954.2, subd. (a), and 54954.3, subd. (a).)

Beginning January 1, 1994, the following types of "legislative bodies" are eligible to claim reimbursement under these parameters and guidelines for the activities listed in section IV.A:

- Local Bodies created by state or federal statute.
- Standing Committees with less than a quorum of members of the legislative body that has a continuing subject matter jurisdiction or a meeting schedule fixed by formal action.
- Permanent & Temporary Advisory Bodies (except bodies of less than a quorum of the members of the legislative body).

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<sup>2</sup> As amended by Statutes of 1993, chapter 1136.

Beginning January 1, 1994, the following “legislative bodies” are eligible to claim reimbursement under these parameters and guidelines for the preparation of a brief general description of closed session agenda items, using either the actual or standard time reimbursement options pursuant to section V.A.1 or 2:

- Governing board, commission, directors or body of a local agency or any board or commission thereof, as well as any board, commission, committee, or other body on which officers of a local agency serve in their official capacity.
- Any board, commission, committee, or body which exercises authority delegated to it by the legislative body.
- Planning commissions, library boards, recreation commissions, and other *permanent* boards or commissions of a local agency composed of at least a quorum of the members of the legislative body.
- Local Bodies created by state or federal statute.
- Standing Committees with less than a quorum of members of the legislative body that has a continuing subject matter jurisdiction or a meeting schedule fixed by formal action.
- Permanent & Temporary Advisory Bodies (except bodies of less than a quorum of the members of the legislative body).

**B. Closed Session Activities**

1. Disclose in an open meeting, prior to holding any closed session, each item to be discussed in the closed session. (Gov. Code, § 54957.7, subd. (a).)
2. Reconvene in open session prior to adjournment to make any disclosures required by Section 54957.1 of action taken in the closed session, including items as follows: (Gov. Code, § 54957.7, subd. (b).)
  - a. Approval of an agreement concluding real estate negotiations as specified in Section 54956.8. (Gov. Code, § 54957.1, subd. (a)(1).)
  - b. Approval given to its legal counsel to defend, or seek or refrain from seeking appellate review or relief, or to enter as an amicus curiae in any form of litigation as the result of consultation under Section 54956.9. (Gov. Code, § 54957.1, subd. (a)(2).)
  - c. Approval given to its legal counsel of a settlement of pending litigation as defined in Section 54956.9, at any stage prior to or during a judicial or quasi-judicial proceeding shall be reported after the settlement is final. (Gov. Code, § 54957.1, subd. (a)(3).)
  - d. Disposition reached as to claims discussed in closed session pursuant to Section 54956.95 shall be reported as soon as reached in a manner that identifies of the name of the claimant, the name of the local agency claimed against, the substance of the claim, and any monetary amount approved for payment and agreed upon by the claimant. (Gov. Code, § 54957.1, subd. (a)(4).)



- e. Approval of an agreement concluding labor negotiations with represented employees pursuant to Section 54957.6 shall be reported after the agreement is final and has been accepted or ratified by the other party. (Gov. Code, § 54957.1, subd. (a)(6).)
3. Provide copies of any contracts, settlement agreements, or other documents that were finally approved or adopted in the closed session to a person who submitted a written request within the timelines specified or to a person who has made a standing request, as set forth in Sections 54954.1 or 54956 within the time lines specified. (Gov. Code, § 54957.1, subd. (b) and (c).)
4. Train members of only those legislative bodies that actually hold closed executive sessions, on the closed session requirements of *Brown Act Reform*. If such training is given to all members of the legislative body, whether newly appointed or existing members, contemporaneously, time of the trainer and legislative members is reimbursable. Additionally, time for preparation of training materials, obtaining materials including training videos and audio visual aids, and training the trainers to conduct the training is reimbursable. See Section V.B.6 of these parameters and guidelines.

Beginning January 1, 1994, the following “legislative bodies” are eligible to claim reimbursement under these parameters and guidelines for the activities listed in IV.B:

- Governing board, commission, directors or body of a local agency or any board or commission thereof, as well as any board, commission, committee, or other body on which officers of a local agency serve in their official capacity.
- Any board, commission, committee, or body which exercises authority delegated to it by the legislative body.
- Planning commissions, library boards, recreation commissions, and other *permanent* boards or commissions of a local agency composed of at least a quorum of the members of the legislative body.
- Local Bodies created by state or federal statute.
- Standing Committees with less than a quorum of members of the legislative body that has a continuing subject matter jurisdiction or a meeting schedule fixed by formal action.
- Permanent & Temporary Advisory Bodies (except bodies of less than a quorum of the members of the legislative body).

## V. CLAIM PREPARATION AND SUBMISSION

Each reimbursement claim must be timely filed. Each of the following cost elements must be identified for each reimbursable activity identified in section IV of this document.

### A. Reimbursement Options for Agenda Preparation and Posting, Including Closed Session Agenda Items

Eligible claimants may use the actual time, standard time, or flat rate reimbursement options for claiming costs incurred pursuant to section IV.A of these parameters and guidelines for agenda preparation and posting, including closed session items.<sup>3</sup> Eligible claimants must claim actual costs incurred for subsequent reporting of action taken in closed session, providing copies of documents approved or adopted in closed session, and training.

For each type or name of meeting claimed during a fiscal year, select one of the following reimbursement options. For example, all city council meetings in a given fiscal year may be claimed on only one basis: actual time, standard time or flat-rate. If standard time is selected, all city council meetings must be claimed using this basis for the entire year. However, all city council meetings could be claimed on an actual cost basis during a subsequent fiscal year.

#### 1. Actual Time

List the meeting names and dates. Report each employee implementing the reimbursable activities by name, job classification, and productive hourly rate (total wages and related benefits divided by productive hours). Describe the specific reimbursable activities performed and the hours devoted to each reimbursable activity performed.

Counties and cities may claim indirect costs pursuant to section V.C.

#### 2. Standard Time

##### a. Main Legislative Body Meetings of Counties and Cities

List the meeting names and dates. For each meeting, multiply the number of agenda items, excluding standard agenda items such as “adjournment”, “call to order”, “flag salute”, and “public comments”, by 30 minutes and then by the blended productive hourly rate of the involved employees.

Counties and cities may claim indirect costs pursuant to section V.C.

##### b. Special District Meetings, and County and City Meetings Other Than Main Legislative Body

List the meeting names and dates. For each meeting, multiply the number of agenda items, excluding standard agenda items such as “adjournment”, “call to order”, “flag salute”, and “public comments”, by 20 minutes and then by the blended productive hourly rate of the involved employees.

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<sup>3</sup> The flat rate includes all of the costs for preparing and posting an agenda, including closed session agenda items. Claimants that filed reimbursement claims under the *Open Meetings Act* Program using the flat rate reimbursement option cannot file another reimbursement claim using the flat rate option for initial years costs for agenda preparation of closed session items under Brown Act Reform. Refer to sections III and IV of these parameters and guidelines.

Special districts, counties and cities may claim indirect costs pursuant to section V.C.

c. School and Community College Districts and County Offices of Education

List the meeting names and dates. For each meeting, multiply the number of agenda items times the minutes per agenda item for County Offices of Education and for districts, by enrollment size, times the blended productive hourly rate of the involved employees. The minutes per agenda for County Offices of Education and for districts by enrollment size are:

County Offices of Education:	45 minutes
Districts:	
Enrollment 20,000 or more	45 minutes
Enrollment 10,000 – 19,999	15 minutes
Enrollment less than 10,000	10 minutes

School and community college districts and County Offices of Education may claim indirect costs pursuant to section V.C.

3. Flat Rate<sup>4</sup>

List the meeting names and dates. Multiply the uniform cost allowance, shown in the table provided below, by the number of meetings. The uniform cost allowance shall be adjusted each year subsequent to fiscal year 1997-1998 by the Implicit Price Deflator referenced in Government Code section 17523.

1993-1994	\$ 90.10
1994-1995	92.44
1995-1996	95.12
1996-1997	97.31
1997-1998	100.00

B. Direct Cost Reporting

Direct costs that are eligible for reimbursement are:

1. Salaries and Benefits

Report each employee implementing the reimbursable activities by name, job classification, and productive hourly rate (total wages and related benefits divided by productive hours). Describe the specific reimbursable activities performed and the hours devoted to each reimbursable activity performed.

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<sup>4</sup> The flat rate includes all of the costs for preparing and posting an agenda, including closed session agenda items. Claimants that filed reimbursement claims under the *Open Meetings Act* Program using the flat rate reimbursement option cannot file another reimbursement claim using the flat rate option for initial years costs for agenda preparation of closed session items under Brown Act Reform. Refer to sections III and IV of these parameters and guidelines.

## 2. Materials and Supplies

Report the cost of materials and supplies that have been consumed or expended for the purpose of the reimbursable activities. Purchases shall be claimed at the actual price after deducting discounts, rebates, and allowances received by the claimant. Supplies that are withdrawn from inventory shall be charged on an appropriate and recognized method of costing, consistently applied.

## 3. Contracted Services

Report the name of the contractor and services performed to implement the reimbursable activities. If the contractor bills for time and materials, report the number of hours spent on the activities and all costs charged. If the contract is a fixed price, report the services that were performed during the period covered by the reimbursement claim. If the contract services are also used for purposes other than the reimbursable activities, only the pro-rata portion of the services used to implement the reimbursable activities can be claimed. Submit contract consultant and attorney invoices with the claim and a description of the contract scope of services.

## 4. Fixed Assets and Equipment

Report the purchase price paid for fixed assets and equipment (including computers) necessary to implement the reimbursable activities. The purchase price includes taxes, delivery costs, and installation costs. If the fixed asset or equipment is also used for purposes other than the reimbursable activities, only the pro-rata portion of the purchase price used to implement the reimbursable activities can be claimed.

## 5. Travel

Report the name of the employee traveling for the purpose of the reimbursable activities. Include the date of travel, destination point, the specific reimbursable activity requiring travel, and related travel expenses reimbursed to the employee in compliance with the rules of the local jurisdiction. Report employee travel time according to the rules of cost element B.1, Salaries and Benefits, for each applicable reimbursable activity.

## 6. Training

Report the cost of training members of the legislative body to perform the reimbursable activities, as specified in section IV.B of this document. Report the name and job classification of each employee preparing for, attending, and/or conducting training necessary to implement the reimbursable activities. Provide the title, subject, and purpose (related to the mandate of the training session), dates attended, and location. If the training encompasses subjects broader than the reimbursable activities, only the pro-rata portion can be claimed. Report employee training time for each applicable reimbursable activity according to the rules of cost element B.1, Salaries and Benefits, and B.2, Materials and Supplies. Report the cost of consultants who conduct the training according to the rules of cost element B.3, Contracted Services. This data, if too voluminous to be included with the claim, may be reported in a summary. However, supporting data must be maintained as described in section VI.

### C. Indirect Cost Rates

Indirect costs are defined as costs which are incurred for a common or joint purpose, benefiting more than one program and are not directly assignable to a particular department of program without efforts disproportionate to the result achieved. Indirect costs may include both (1) overhead costs of the unit performing the mandate; and (2) the costs of central government services distributed to other departments based on a systematic and rational basis through a cost allocation plan.

#### Cities, Counties and Special Districts

Compensation for indirect costs is eligible for reimbursement utilizing the procedure provided in the Office of Management and Budget (OMB) Circular A-87. Claimants have the option of using 10% of direct labor, excluding fringe benefits, or preparing an Indirect Cost Rate Proposal (ICRP) if the indirect cost rate claimed exceeds 10%.

If the claimant chooses to prepare an ICRP, both the direct costs (as defined and described in OMB Circular A-87 Attachments A and B) and the indirect costs shall exclude capital expenditures and unallowable costs (as defined and described in OMB A-87 Attachments A and B). However, unallowable costs must be included in the direct costs if they represent activities to which indirect costs are properly allocable.

The distribution base may be (1) total direct costs (excluding capital expenditures and other distorting items, such as pass-through funds, major subcontracts, etc.), (2) direct salaries and wages, or (3) another base which results in an equitable distribution.

In calculating an ICRP, the Claimant shall have the choice of one of the following methodologies:

1. The allocation of allowable indirect costs (as defined and described in OMB Circular A-87 Attachments A and B) shall be accomplished by (1) classifying a department's total costs for the base period as either direct or indirect, and (2) dividing the total allowable indirect costs (net of applicable credits) by an equitable distribution base. The result of this process is an indirect cost rate which is used to distribute indirect costs to mandates. The rate should be expressed as a percentage which the total amount allowable indirect costs bears to the base selected; or
2. The allocation of allowable indirect costs (as defined and described in OMB Circular A-87 Attachments A and B) shall be accomplished by (1) separating a department into groups, such as divisions or sections, and then classifying the division's or section's total costs for the base period as either direct or indirect, and (2) dividing the total allowable indirect costs (net of applicable credits) by an equitable distribution base. The result of this process is an indirect cost rate that is used to distribute indirect costs to mandates. The rate should be expressed as a percentage which the total amount allowable indirect costs bears to the base selected.

#### School Districts

School districts must use the J-380 (or subsequent replacement) nonrestrictive indirect cost rate provisionally approved by the California Department of Education.

### County Offices of Education

County offices of education must use the J-580 (or subsequent replacement) nonrestrictive indirect cost rate provisionally approved by the California Department of Education.

### Community Colleges

Community colleges have the option of using (1) a federally approved rate, using the cost accounting principles from the OMB Circular A-21 "Cost Principles of Educational Institutions", (2) the rate calculated on State Controller's Form FAM-29C; or (3) a 7% indirect cost rate.

## **VI. SUPPORTING DATA**

### **A. Source Documents**

For auditing purposes, all incurred costs claimed must be traceable to source documents that show evidence of their validity and relationship to the reimbursable activities. Documents may include, but are not limited to, worksheets, employee time records or time logs, cost allocation reports (system generated), invoices, receipts, purchase orders, contracts, agendas, training packets with signatures and logs of attendees, calendars, declarations, and data relevant to the reimbursable activities otherwise reported in compliance with local, state, and federal government requirements.

For those entities that elect reimbursement pursuant to the standard time methodology, option 2 in section V.A, documents showing the calculation of the blended productive hourly rate and copies of agendas shall be sufficient evidence. For those entities that elect reimbursement pursuant to the flat-rate methodology, option 3 in section V.A, copies of agendas shall be sufficient evidence.

The blended productive hourly rate, used in claiming standard or unit time reimbursements, may be calculated by determining the percentage of time spent by persons or classifications of persons on the reimbursable activities and multiplying the productive hourly rate (including salaries, benefits and indirect costs, if not claimed elsewhere) for each person or classification of persons times the percentage of time spent by that person or classification of persons. Claimants may determine a percentage allocation for the person or classification of persons in a base fiscal year and use that percentage allocation for subsequent future years by multiplying the base year percentages times the productive hourly rate for that person or classification of persons for the fiscal year of the reimbursement claim.

For example, a city manager may determine that the percentage of time spent on the reimbursable activities by various classifications in a base year of fiscal year 1998-1999 was as follows:

City Manager	17%
City Attorney	15%
City Clerk	36%
Department Managers	9%
Secretaries	23%
Total	100%

The city determines that the productive hourly rate (salaries, benefits, and indirect costs) for fiscal year 2000-2001 for each classification is as follows:

	Salary	Benefits	Indirect Cost Rate	Indirect Costs	Productive Hourly Rate
City Manager	\$60	\$12	29%	\$13	\$85
City Attorney	\$55	\$10	30%	\$15	\$80
City Clerk	\$40	\$ 8	31%	\$12	\$60
Department Manager	\$45	\$ 9	30%	\$11	\$65
Secretaries	\$18	\$ 5	25%	\$ 7	\$30

The blended productive hourly rate for fiscal year 2000-2001 is determined by multiplying the percentages in the base year times the productive hourly rate in the fiscal year claimed, and adding the totals, as follows:

City Manager	17%	\$85	\$14.25
City Attorney	15%	\$80	\$12.00
City Clerk	36%	\$60	\$21.60
Department Manager	9%	\$65	\$ 5.85
Secretaries	23%	\$30	\$ 6.90
Total	100%		\$60.80

The city's claim would be determined by multiplying the blended productive hourly rate times the minutes per agenda item times the number of agenda items.

#### **B. Record Keeping**

Pursuant to Government Code section 17558.5, subdivision (a), a reimbursement claim for actual costs filed by a local agency or school district pursuant to this chapter is subject to audit by the State Controller no later than two years after the end of the calendar year in which the reimbursement claim is filed or last amended. See the State Controller's claiming instructions regarding retention of required documentation during the audit period.

### **VII. OFFSETTING SAVINGS AND REIMBURSEMENTS**

Any offsetting savings the claimant experiences in the same program as a result of the same statutes or executive orders found to contain a mandate shall be deducted from the costs claimed. In addition, reimbursement for this mandate from any other source, including but not limited to, service fees collected, federal funds and other state funds, shall be identified and deducted from this claim.

### **VIII. STATE CONTROLLER'S OFFICE REQUIRED CERTIFICATION**

An authorized representative of the claimant shall be required to provide a certification of the claim, as specified in the State Controller's claiming instructions, for those costs mandated by the State contained herein.

### **IX. PARAMETERS AND GUIDELINES AMENDMENTS**

Parameters and guidelines may be amended pursuant to Title 2, California Code of Regulations section 1183.2.

CLAIM FOR PAYMENT Pursuant to Government Code Section 17561 OPEN MEETINGS ACT/BROWN ACT REFORM			For State Controller Use Only	Program <b>238</b>
(01) Claimant Identification Number			(19) Program Number 00238	
(02) Claimant Name			(20) Date Filed ____/____/____	
County of Location			(21) LRS Input ____/____/____	
Street Address or P.O. Box Suite			(22) BAR-1, (03)	
City State Zip Code			(23) BAR-1, (04)(f)	
			(24) BAR-1, (05)	
			(25) BAR-1, (06)	
Type of Claim	Estimated <input type="checkbox"/>	Reimbursement Claim <input type="checkbox"/>	(26) BAR-1, (07)	
	(03) Estimated <input type="checkbox"/>	(09) Reimbursement <input type="checkbox"/>	(27) BAR-1, (09)	
	(04) Combined <input type="checkbox"/>	(10) Combined <input type="checkbox"/>	(28) BAR-1, (11)	
	(05) Amended <input type="checkbox"/>	(11) Amended <input type="checkbox"/>	(29) BAR-1, (12)	
Fiscal Year of Cost	(06) 20____/20____	(12) 20____/20____	(30)	
Total Claimed Amount	(07)	(13)	(31)	
Less: 10% Late Penalty, not to exceed \$1,000		(14)	(32)	
Less: Prior Claim Payment Received		(15)	(33)	
Net Claimed Amount		(16)	(34)	
Due from State	(08)	(17)	(35)	
Due to State		(18)	(36)	
<b>(37) CERTIFICATION OF CLAIM</b>				
In accordance with the provisions of Government Code Section 17561, I certify that I am the officer authorized by the community college district to file mandated cost claims with the State of California for this program, and certify under penalty of perjury that I have not violated any of the provisions of Government Code Sections 1090 to 1098, inclusive.				
I further certify that there was no application other than from the claimant, nor any grant or payment received, for reimbursement of costs claimed herein, and such costs are for a new program or increased level of services of an existing program. All offsetting savings and reimbursements set forth in the Parameters and Guidelines are identified, and all costs claimed are supported by source documentation currently maintained by the claimant.				
The amounts for this Estimated Claim and/or Reimbursement Claim are hereby claimed from the State for payment of estimated and/or actual costs set forth on the attached statements. I certify under penalty of perjury under the laws of the State of California that the foregoing is true and correct.				
Signature of Authorized Officer			Date	
Type or Print Name			Title	
(38) Name of Contact Person for Claim			Telephone Number ( ) - Ext.	
			E-Mail Address	



<b>Program</b> <b>238</b>	<b>OPEN MEETINGS ACT/BROWN ACT REFORM</b> <b>Certification Claim Form</b> <b>Instructions</b>	<b>FORM</b> <b>FAM-27</b>
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- (01) Enter the payee number assigned by the State Controller's Office.
- (02) Enter your Official Name, County of Location, Street or P. O. Box address, City, State, and Zip Code.
- (03) If filing an estimated claim, enter an "X" in the box on line (03) Estimated.
- (04) If filing a combined estimated claim on behalf of districts within the county, enter an "X" in the box on line (04) Combined.
- (05) If filing an amended claim, enter an "X" in the box on line (05) Amended.
- (06) Enter the fiscal year in which costs are to be incurred.
- (07) Enter the amount of the estimated claim. If the estimate exceeds the previous year's actual costs by more than 10%, complete form BAR-1 and enter the amount from line (13).
- (08) Enter the same amount as shown on line (07).
- (09) If filing a reimbursement claim, enter an "X" in the box on line (09) Reimbursement.
- (10) If filing a combined reimbursement claim on behalf of districts within the county, enter an "X" in the box on line (10) Combined.
- (11) If filing an amended claim, enter an "X" in the box on line (11) Amended.
- (12) Enter the fiscal year for which actual costs are being claimed. If actual costs for more than one fiscal year are being claimed, complete a separate form FAM-27 for each fiscal year.
- (13) Enter the amount of the reimbursement claim from form BAR-1, line (13). The total claimed amount must exceed \$1,000.
- (14) Reimbursement claims must be filed by January 15 of the following fiscal year in which costs were incurred or the claims shall be reduced by a late penalty. Enter zero if the claim was timely filed, otherwise, enter the product of multiplying line (13) by the factor 0.10 (10% penalty), or \$1,000, whichever is less.
- (15) If filing an actual reimbursement claim and an estimated claim was previously filed for the same fiscal year, enter the amount received for the claim. Otherwise, enter a zero.
- (16) Enter the result of subtracting line (14) and line (15) from line (13).
- (17) If line (16), Net Claimed Amount, is positive, enter that amount on line (17), Due from State.
- (18) If line (16), Net Claimed Amount, is negative, enter that amount on line (18), Due to State.
- (19) to (21) Leave blank.
- (22) to (36) Reimbursement Claim Data. Bring forward the cost information as specified on the left-hand column of lines (22) through (36) for the reimbursement claim, e.g., BAR-1, (04)(f), means the information is located on form BAR-1, block (04), column (f). Enter the information on the same line but in the right-hand column. Cost information should be rounded to the nearest dollar, i.e., no cents. Indirect costs percentage should be shown as a whole number and without the percent symbol, i.e., 7.548% should be shown as 8. **Completion of this data block will expedite the payment process.**
- (37) Read the statement "Certification of Claim." If it is true, the claim must be dated, signed by the agency's authorized officer, and must include the person's name and title, typed or printed. **Claims cannot be paid unless accompanied by an original signed certification. (To expedite the payment process, please sign the form FAM-27 with blue ink, and attach a copy of the form FAM-27 to the top of the claim package.)**
- (38) Enter the name, telephone number, and e-mail address of the person to contact if additional information is required.

Claims should be rounded to the nearest dollar. Submit a signed original and a copy of form FAM-27, Claim for Payment, and all other forms and supporting documents. **(To expedite the payment process, please sign the form in blue ink, and attach a copy of the form FAM-27 to the top of the claim package.)** Use the following mailing addresses:

**Address, if delivered by U.S. Postal Service:**

**OFFICE OF THE STATE CONTROLLER**  
**ATTN: Local Reimbursements Section**  
**Division of Accounting and Reporting**  
**P.O. Box 942850**  
**Sacramento, CA 94250**

**Address, if delivered by other delivery service:**

**OFFICE OF THE STATE CONTROLLER**  
**ATTN: Local Reimbursements Section**  
**Division of Accounting and Reporting**  
**3301 C Street, Suite 500**  
**Sacramento, CA 95816**

<b>Program</b> <b>238</b>	<b>MANDATED COSTS</b> <b>OPEN MEETINGS ACT/BROWN ACT REFORM</b> <b>CLAIM SUMMARY</b>					<b>FORM</b> <b>BAR-1</b>	
(01) Claimant			(02) Type of Claim		Fiscal Year		
			Reimbursement <input type="checkbox"/>				
			Estimated <input type="checkbox"/>		20__/20__		
<b>Claim Statistics</b>							
(03) Number of regular meetings for which a brief agenda was prepared and posted							
<b>Direct Costs: Actual Time Option</b>							
		<b>Object Accounts</b>					
(04) Reimbursable Component		(a)	(b)	(c)	(d)	(e)	(f)
		Salaries and Benefits	Materials and Supplies	Contract Services	Fixed Assets	Travel and Training	Total Direct Costs
Preparation of Brief Agenda and Posting							
<b>Direct Costs: Standard-Time Option</b>							
(05) Standard-Time Reimbursement Option				[From form BAR-2S, line (04)(f)]			
<b>Indirect Costs: Actual Time Option and/or Standard-Time Option</b>							
(06) Indirect Cost Rate				[Federally approved OMB A-21, FAM-29C, or 7%]		%	
(07) Total Indirect Costs				[Method 1 or Method 2]			
(08) Total Direct and Indirect Costs				[Line (04)(f) + line (05) + line (07)]			
<b>Direct and Indirect Costs: Flat-Rate Option</b>							
(09) Flat-Rate Reimbursement Option				[From form BAR-2F, line (04)(d)]			
(10) Total Direct and Indirect Costs of All Options				[Line (08) + line (09)]			
<b>Cost Reduction</b>							
(11) Less: Offsetting Savings							
(12) Less: Other Reimbursements							
(13) Total Claimed Amount				[Line (10) - {line (11) + line (12)}]			

<b>Program</b> <b>238</b>	<b>OPEN MEETINGS ACT/BROWN ACT REFORM</b> <b>CLAIM SUMMARY</b> <b>Instructions</b>	<b>FORM</b> <b>BAR-1</b>
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**Note: The initial years' costs shall not include any costs that were claimable or reimbursed pursuant to the Open Meetings Act (OMA) program per claiming instructions 2000-15 and 16. Annual claims, commencing with the 2001-02 fiscal year, shall include all costs for the OMA and BAR programs. See Section I. of the P's & G's.**

- (01) Claimant. Enter the name of the claimant.
- (02) Type of Claim. Check a box, Reimbursement or Estimated, to identify the type of claim being filed. Enter the fiscal year for which costs were incurred or are to be incurred.
- Form BAR-1 must be filed for a reimbursement claim. Do not complete form BAR-1 if you are filing an estimated claim and the estimate does not exceed the previous fiscal year's actual costs by more than 10%. Simply enter the amount of the estimated claim on form FAM-27, line (07). However, if the estimated claim exceeds the previous fiscal year's actual costs by more than 10%, form BAR-1 must be completed and a statement attached explaining the increased costs. Without this information the high estimated claim will automatically be reduced to 110% of the previous fiscal year's actual costs.
- (03) Claim Statistics. Enter the number of regular meetings for which a brief agenda was prepared and posted during the fiscal year.
- (04) Reimbursable Component. Enter all the totals from form BAR-2A, line (06), columns (d) through (h) to form BAR-1, line (04), columns (a) through (e) in the appropriate row. Total the row and enter in column (f).
- (05) Standard-Time Reimbursement Option. The standard-time allowance covers the direct and indirect costs incurred in compliance with this mandate. Enter the total from form BAR-2S, line (04)(f).
- (06) Community college districts may use the federally approved OMBA-21 rate, the rate computed using form FAM 29C, or a 7% indirect cost rate, for the fiscal year of costs.
- (07) Total Indirect Costs. If the blended hourly rate for the Standard-Time allowance includes indirect costs, use **Method 1**. If the blended hourly rate for the Standard-Time allowance does not include indirect costs, use **Method 2**.
- Method 1:** Multiply Total Direct Costs, line (04)(f), by the Indirect Cost Rate, line (06).
- Method 2:** Multiply the sum of Total Direct Costs, line (04)(f), and Standard-Time Reimbursement Option, line (05), by the Indirect Cost Rate, line (06).
- (08) Total Direct and Indirect Costs. Enter the sum of Total Direct Costs, line (04)(f), Standard-Time Reimbursement Option, line (05), and Total Indirect Costs, line (07).
- (09) Flat-Rate Reimbursement Option. The flat-rate allowance covers the direct and indirect costs incurred in compliance with this mandate. Enter the total from form BAR-2F, line (04)(d).
- (10) Total Direct and Indirect Costs of All Options. Enter the sum of Total Direct and Indirect Costs, line (08), and Flat-Rate Reimbursement Option, line (09).
- (11) Less: Offsetting Savings. If applicable, enter the total savings experienced by the claimant as a direct result of this mandate. Submit a detailed schedule of savings with the claim.
- (12) Less: Other Reimbursements. If applicable, enter the amount of other reimbursements received from any source including, but not limited to, service fees collected, federal funds, and other state funds, which reimbursed any portion of the mandated cost program. Submit a schedule detailing the reimbursement sources and amounts.
- (13) Total Claimed Amount. From Total Direct and Indirect Costs of All Options, line (10), subtract the sum of Offsetting Savings, line (11), and Other Reimbursements, line (12). Enter the remainder on this line.

<div>Program</div> <div>238</div>	<div>MANDATED COSTS</div> <div>OPEN MEETINGS ACT/BROWN ACT REFORM</div> <div>COMPONENT/ACTIVITY COST DETAIL</div>						<div>FORM</div> <div>BAR-2A</div>
(01) Claimant				(02) Fiscal Year			
(03) Meeting Type or Name							
(04) Reimbursable Component: Preparation of Brief Agenda and Posting							
(05) Actual Time Option: Complete columns (a) through (h).				Object Accounts			
(a) Employee Names, Job Classifications, Functions Performed, and Description of Expenses	(b) Hourly Rate or Unit Cost	(c) Hours Worked or Quantity	(d) Salaries and Benefits	(e) Materials and Supplies	(f) Contract Services	(g) Fixed Assets	(h) Travel and Training
(06) Total <input type="text"/> Subtotal <input type="text"/> Page: ____ of ____							

<b>Program</b> <b>238</b>	<b>OPEN MEETINGS ACT/BROWN ACT REFORM</b> <b>COMPONENT/ACTIVITY COST DETAIL</b> <b>Instructions</b>	<b>FORM</b> <b>BAR-2A</b>
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The initial years' costs shall not include any costs that were claimable or reimbursed pursuant to the Open Meetings Act (OMA) program per claiming instructions 2000-15 and 16. Annual claims, commencing with the 2001-02 fiscal year, shall include all costs for the OMA and BAR programs. See Section I. of the P's & G's.

Complete form BAR-2A when calculating agenda costs using the Actual Time Option.

Please note that all meetings of the same type or name in a given fiscal year may be claimed on only one basis.

- (01) Claimant. Enter the name of the claimant.
- (02) Fiscal Year. Enter the fiscal year in which costs were incurred.
- (03) Meeting Type or Name. Enter the name of the meeting for which a brief agenda was prepared and posted. A separate form BAR-2A should be prepared for the district's legislative body and each board or commission which holds public hearings.
- (04) Reimbursable Component. Preparation of Brief Agenda and Posting. No entry necessary.
- (05) Actual Time Option. The following table identifies the type of information required to support costs of direct labor, materials and supplies, contract services, travel and training, and fixed assets needed in the preparation of a brief general description of agenda items and posting 72 hours before a meeting in a location that is freely accessible to the public. **The descriptions required in column (5)(a) must be of sufficient detail to explain the cost of activities or items being claimed.** For audit purposes, all supporting documents must be retained by the claimant for a period of not less than two years after the end of the calendar year in which the reimbursement claim was filed or last amended, whichever is later. When no funds are appropriated for the initial payment at the time the claim was filed, supporting documents must be retained for two years from the date of initial payment of the claim. Such documents shall be made available to the State Controller's Office upon request.

Object/ Sub object Accounts	Columns								Submit supporting documents with the claim
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	
<b>Salaries and Benefits</b>									
Salaries	Employee Name/Title	Hourly Rate	Hours Worked	Salaries = Hourly Rate x Hours Worked					
Benefits	Activities Performed	Benefit Rate		Benefits = Benefit Rate x Salaries					
<b>Materials and Supplies</b>	Description of Supplies Used	Unit Cost	Quantity Used		Cost = Unit Cost x Quantity Used				
<b>Contract Services</b>	Name of Contractor Specific Tasks Performed	Hourly Rate	Hours Worked Inclusive Dates of Service			Itemized Cost of Services Performed			Copy of Contract and Invoices
<b>Fixed Assets</b>	Description of Equipment Purchased	Unit Cost	Usage				Itemized Cost of Equipment Purchased		
<b>Travel and Training</b>	Purpose of Trip Name and Title	Per Diem Rate	Days					Cost = Rate x Days or Miles	
Travel	Departure and Return Date	Mileage Rate Travel Cost	Miles Travel Mode					or Total Travel Cost	
Training	Employee Name/Title Name of Class		Dates Attended					Registration Fee	

- (06) Total line (05), columns (d) through (h) and enter the sum on this line. Check the appropriate box to indicate if the amount is a total or subtotal. If more than one form is needed to detail the component/activity costs, number each page. Carry forward the totals from line (06), columns (d) through (h) to form BAR-1, line (04), columns (a) through (e).

Program <b>238</b>	<b>MANDATED COSTS</b> <b>OPEN MEETINGS ACT/BROWN ACT REFORM II</b> <b>COMPONENT/ACTIVITY COST DETAIL</b>			<b>FORM</b> <b>BAR-2F</b>
(01) Claimant		(02) Fiscal Year		
(03) <b>Flat-Rate Reimbursement Option:</b> Complete columns (a) through (d).				
(a)  Meeting Type or Name	(b) Uniform Cost Allowance \$113.97 for 02-03 \$115.80 for 03-04	(c) Number of Agendas	(d) Total (b) x (c)	
(04) Total <input type="text"/> Subtotal <input type="text"/> Page: ____ of ____				

<b>Program</b> <b>238</b>	<b>OPEN MEETINGS ACT/BROWN ACT REFORM II</b> <b>COMPONENT/ACTIVITY COST DETAIL</b> <b>Instructions</b>	<b>FORM</b> <b>BAR-2F</b>
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The initial years' costs shall not include any costs that were claimable or reimbursed pursuant to the Open Meetings Act (OMA) program per claiming instructions 2000-15 and 16. Annual claims, commencing with the 2001-02 fiscal year, shall include all costs for the OMA and BAR programs. See Section I. of the P's & G's.

Complete form BAR-2F when calculating agenda costs using the Flat-Rate Option.

Please note that all meetings of the same type or name in a given fiscal year may be claimed using only one basis.

- (01) Claimant. Enter the name of the claimant.
- (02) Fiscal Year. Enter the fiscal year in which costs were incurred.
- (03) Flat-Rate Reimbursement Option.
  - (a) Meeting Type or Name. Enter the type or name of the meeting. Only one entry per meeting type or name is needed.
  - (b) Uniform Cost Allowance. Enter the uniform cost allowance for the fiscal year of the claim.

Fiscal Year	Uniform Cost Allowance
1993-94	\$90.10
1994-95	92.44
1995-96	95.12
1996-97	97.31
1997-98	100.00
1998-99	101.90
1999-00	105.67
2000-01	109.90
2001-02	112.35
2002-03	113.97
2003-04 f/	115.80

f/ July 31 Revision Forecast, July 2003

Source: California Department of Finance, from the US Department of Commerce, Bureau of Economic Analysis

- (c) Number of Agendas. Enter the number of agendas that were prepared for each meeting type or name listed in column (a).
- (d) Total. Multiply the Uniform Cost Allowance, column (b), by the Number of Agendas, column (c).
- (04) Total line (03), column (d), and enter the sum on this line. Check the appropriate box to indicate if the amount is a total or subtotal. If more than one form is needed to detail the component/activity costs, number each page. Carry forward the totals from line (04), column (d) to form BAR-1, line (09).

<b>Program</b> <b>238</b>	<b>MANDATED COSTS</b> <b>OPEN MEETINGS ACT/BROWN ACT REFORM</b> <b>COMPONENT/ACTIVITY COST DETAIL</b>	<b>FORM</b> <b>BAR-2S</b>
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(01) Claimant	(02) Fiscal Year
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(03) **Standard-Time Reimbursement Option:** Complete columns (a) through (f).

(a) Date	(b) Meeting Type or Name	(c) Number of Agenda Items	(d) Minutes Per Agenda Item	(e) Blended Hourly Rate	(f) Total

(04)	Total	<input type="text"/>	Subtotal	<input type="text"/>	Page:___of___
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<b>Program</b> <b>238</b>	<b>OPEN MEETINGS ACT/BROWN ACT REFORM</b> <b>COMPONENT/ACTIVITY COST DETAIL</b> <b>Instructions</b>	<b>FORM</b> <b>BAR-2S</b>
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The initial years' costs shall not include any costs that were claimable or reimbursed pursuant to the Open Meetings Act (OMA) program per claiming instructions 2000-15 and 16. Annual claims, commencing with the 2001-02 fiscal year, shall include all costs for the OMA and BAR programs. See Section I. of the P's & G's.

**Complete form BAR-2S when calculating agenda costs using the Standard-Time Option.**

**Please note that all meetings of the same type or name in a given fiscal year may be claimed on only one basis.**

- (01) Claimant. Enter the name of the claimant.
- (02) Fiscal Year. Enter the fiscal year in which costs were incurred.
- (03) Standard-Time Reimbursement Option.
- (a) Date. Enter the date of each meeting.
- (b) Meeting Type or Name. Enter the type or name of each meeting.
- (c) Number of Agenda Items. Enter the number of agenda items for each meeting.
- (d) Minutes Per Agenda Item. The minutes per agenda item for County Offices of Education and for districts by enrollment size are:
- County Offices of Education: 0.75 hour (45 minutes)
- Districts: Enrollment of 20,000 or more: 0.75 hour (45 minutes)
- Enrollment of 10,000 to 19,999: 0.25 hour (15 minutes)
- Enrollment of less than 10,000: 0.17 hour (10 minutes)
- (e) Blended Hourly Rate. Enter the blended hourly rate of all personnel who participated in the preparation and posting of the agenda during the fiscal year.

The blended productive hourly rate, used in claiming standard or unit time reimbursements, may be calculated by determining the percentage of time spent by persons or classifications of persons on the reimbursable activities and multiplying the productive hourly rate (including salaries, benefits, and indirect costs, if not claimed elsewhere) for each person or classification of persons in a base fiscal year and use that percentage allocation for subsequent future years by multiplying the base year percentages times the productive hourly rate for that person or classification of persons for the fiscal year of the reimbursement claim.

For example, a principal may determine that the percentage of time spent on the reimbursable activities by various classifications of personnel in a base year of fiscal year 1998-99 was as follows: Principal 17%, Vice Principal 15%, Office Clerks 36%, Office Manager 9%, and Secretaries 23%.

The school district determines that the productive hourly rate (salaries, benefits, and indirect costs) for fiscal year 2000-01 for each classification is as follows:

Classification	Salary	Benefits	Indirect Costs	Productive Hourly Rate
Principal	\$60	\$12	\$13	\$85
Vice Principal	55	10	15	80
Office Clerks	40	8	12	60
Office Manager	45	9	11	65
Secretaries	18	5	7	30

The school district's blended productive hourly rate of \$60.80 for fiscal year 2000-01 is determined by multiplying the percentages in the base year times the productive hourly rate in the fiscal year claimed, and adding the totals, as follows:

Classification	Percentage of Time Spent	Productive Hourly Rate	Blended Productive Hourly Rate
Principal	17%	\$85	\$14.45
Vice Principal	15%	80	12.00
Office Clerks	36%	60	21.60
Office Manager	9%	65	5.85
Secretaries	23%	30	6.90
Total	100%		<u>\$60.80</u>

- (f) Total. Multiply the Number of Agenda Items, column (c), by the Minutes Per Agenda Item as expressed as a fraction of one hour, column (d), by the Blended Hourly Rate, column (e).

For audit purposes, all supporting documents must be retained by the claimant for a period of not less than two years after the end of the calendar year in which the reimbursement claim was filed or last amended, whichever is later. When no funds are appropriated for the initial payment at the time the claim was filed, supporting documents must be retained for two years from the date of initial payment of the claim. Such documents shall be made available to the State Controller's Office upon request.

- (04) Total line (03), column (f) and enter the sum on this line. Check the appropriate box to indicate if the amount is a total or a subtotal. If more than one form is needed to detail the component/activity costs, number each page. Carry forward the totals from line (04), column (f) to form BAR-1, line (05).

Program <b>238</b>	MANDATED COSTS OPEN MEETINGS ACT/BROWN ACT REFORM MEETING DETAIL		FORM BAR-3
(01) Claimant		(02) Fiscal Year	
(03) Detail of Meetings: Complete columns (a) and (b).			
(a) Date	(b) Meeting Type or Name		
(04)			
Page: ____ of ____			

<b>Program</b> <b>238</b>	<b>OPEN MEETINGS ACT/BROWN ACT REFORM</b> <b>MEETINGS DETAIL</b> <b>Instructions</b>	<b>FORM</b> <b>BAR-3</b>
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**Complete form BAR-3 for all reimbursement options.**

- (01) Claimant. Enter the name of the claimant.
- (02) Fiscal Year. Enter the fiscal year for which costs were incurred.
- (03) Detail of Meetings. Provide the following information for each regular meeting being claimed regardless of type or name. List the meetings in order of date.
  - (a) Date. Enter the date of each meeting being claimed.
  - (b) Meeting Type or Name. Enter the type or name of each regular meeting held during the fiscal year for which a brief agenda was prepared and posted.
- (04) If more than one form is needed to provide the detail of the meetings, number each page.

OFFICE OF THE STATE CONTROLLER  
STATE MANDATED COSTS CLAIMING INSTRUCTIONS NO. 2000-11  
PEACE OFFICERS PROCEDURAL BILL OF RIGHTS  
(COMMUNITY COLLEGES)

In accordance with Government Code (GC) Section 17561, eligible claimants may submit claims to the State Controller's Office (SCO) for reimbursement of costs incurred for state mandated cost programs. The following are claiming instructions and forms that eligible claimants will use for the filing of claims for Peace Officers Procedural Bill of Rights (PPBR). These claiming instructions are issued subsequent to adoption of the program's parameters and guidelines (P's & G's) by the Commission on State Mandates (COSM).

On November 30, 1999, the COSM determined that the PPBR program establishes costs mandated by the state according to the provisions listed in the attached P's & G's. For your reference, the P's & G's are included as an integral part of the claiming instructions.

Government Code Sections 3300 through 3310, as added and amended Chapter 465, Statutes of 1976; Chapters 775, 1173, 1174, and 1178, Statutes of 1978; Chapter 405, Statutes of 1979; Chapter 1367, Statutes of 1980; Chapter 994, Statutes of 1982; Chapter 964, Statutes of 1983; Chapter 1165, Statutes of 1989; and Chapter 675, Statutes of 1990, provide procedural protection for peace officers employed by community college districts when a peace officer is subject to an interrogation by the employer, is facing punitive action, or receives an adverse comment in his or her personnel file. This applies to peace officers classified as permanent employees, peace officers who serve at the pleasure of the community college district, and are terminable without cause ("at will" employees), and peace officers on probation who have not reached permanent status.

### **Eligible Claimants**

Any community college district employing peace officers, pursuant to Penal Code 830, and incurring increased costs as a direct result of this mandate is eligible to claim reimbursement of these costs.

### **Filing Deadlines**

Reimbursement claims for the 1994-95 through 1999-00 fiscal years must be filed with the SCO. **Claims must be delivered or postmarked on or before January 30, 2001.** Annually thereafter, having received payment for an estimated claim, the claimant must file a reimbursement claim by January 15<sup>th</sup> of the following fiscal year. Claims filed after the deadline will be reduced by a late penalty of 10%, not to exceed \$1,000. In order for a claim to be considered properly filed, it must include any specific supporting documentation requested in the instructions. **Claims filed more than one year after the deadline, or without the requested supporting documentation, will not be accepted.**

Estimated claims filed with the SCO must be postmarked by January 15<sup>th</sup> of the fiscal year in which costs will be incurred. However, 2000-01 estimated claims must be filed with the SCO and postmarked by **January 30, 2001**. Timely filed claims will be paid before late claims.

### **Minimum Claim Cost**

For initial claims and annual claims filed on or after **September 30, 2002**, if the total costs for a given year do not exceed **\$1,000**, no reimbursement shall be allowed except as otherwise allowed by GC §17564.

### **Estimated Claims**

Unless otherwise specified in the claiming instructions, community college districts are not required to provide cost schedules and supporting documents with an estimated claim if the estimated amount does not exceed the previous fiscal year's actual costs by more than 10%. The claimant can simply enter the estimated amount on form FAM-27, line (07). However, if the estimated claim exceeds the previous fiscal year's actual costs by more than 10%, the claimant must complete supplemental claim forms to support their estimated costs as specified for the program to explain the reason for the increased costs. If no explanation supporting the higher estimate is provided with the claim, it will automatically be adjusted to 110% of the previous fiscal year's actual costs.

### **Reimbursement Claims**

Initial reimbursement claims will only be reimbursed to the extent that expenditures can be supported and if such information is unavailable, claims will be reduced. In addition, ongoing reimbursement claims must be supported by documentation as evidence of the expenditures. Examples of documentation may include, but are not limited to, employee time records that identify mandate activities, payroll records, invoices, receipts, contracts, travel expense vouchers, purchase orders, and caseload statistics.

### **Audit of Costs**

All claims submitted to the SCO are reviewed to determine if costs are related to the mandate, are reasonable and not excessive, and the claim was prepared in accordance with the P's & G's adopted by the COSM. If any adjustments are made to a claim, a "Notice of Claim Adjustment," specifying the claim component adjusted, the amount adjusted, and the reason for the adjustment, will be mailed within 30 days after payment of the claim.

On-site audits will be conducted by the SCO as deemed necessary. Accordingly, all documentation to support actual costs claimed must be retained for a period of two years after the end of the calendar year in which the reimbursement claim was filed or amended regardless of the year of costs incurred. When no funds are appropriated for initial claims at the time the claim is filed, supporting documents must be retained for two years from the date of initial payment of the claim. Claim documentation shall be made available to the SCO on request.

### **Retention of Claiming Instructions**

The claiming instructions and forms in this package should be retained permanently in your **Mandated Cost Manual** for future reference and use in filing claims. These forms should be

duplicated to meet your filing requirements. You will be notified of updated forms or changes to claiming instructions as necessary.

For your reference, these and future mandated costs claiming instructions and forms can be found on the Internet at [www.sco.ca.gov/ard/local/locreim/index.htm](http://www.sco.ca.gov/ard/local/locreim/index.htm).

### **Address for Filing Claims**

Claims should be rounded to the nearest dollar. Submit a signed original and a copy of form FAM-27, Claim for Payment, and all other forms and supporting documents. **(To expedite the payment process, please sign the form in blue ink, and attach a copy of the form FAM-27 to the top of the claim package.)** Use the following mailing addresses:

If delivered by  
U.S. Postal Service:

Office of the State Controller  
Attn: Local Reimbursements Section  
Division of Accounting and Reporting  
P.O. Box 942850  
Sacramento, CA 94250

If delivered by  
other delivery services:

Office of the State Controller  
Attn: Local Reimbursements Section  
Division of Accounting and Reporting  
3301 C Street, Suite 500  
Sacramento, CA 95816

## **PARAMETERS AND GUIDELINES**

Government Code Sections 3300 through 3310

As Added and Amended by Statutes of 1976, Chapter 465;

Statutes of 1978, Chapters 775, 1173, 1174, and 1178;

Statutes of 1979, Chapter 405; Statutes of 1980, Chapter 1367; Statutes of 1982, Chapter 994; Statutes of 1983, Chapter 964; Statutes of 1989, Chapter 1165; and

Statutes of 1990, Chapter 675

### *Peace Officers Procedural Bill of Rights*

## **I. SUMMARY AND SOURCE OF THE MANDATE**

In order to ensure stable employer-employee relations and effective law enforcement services, the Legislature enacted Government Code sections 3300 through 3310, known as the Peace Officers Procedural Bill of Rights (POBAR).

The test claim legislation provides procedural protections to peace officers employed by local agencies and school districts<sup>1</sup> when a peace officer is subject to an interrogation by the employer, is facing punitive action or receives an adverse comment in his or her personnel file. The protections required by the test claim legislation apply to peace officers classified as permanent employees, peace officers who serve at the pleasure of the agency and are terminable without cause (“at-will” employees), and peace officers on probation who have not reached permanent status.

On November 30, 1999, the Commission adopted its Statement of Decision that the test claim legislation constitutes a partial reimbursable state mandated program within the meaning of article XIII B, section 6 of the California Constitution and Government Code section 17514.

## **II. ELIGIBLE CLAIMANTS**

Counties, cities, a city and county, school districts and special districts that employ peace officers are eligible claimants.

## **III. PERIOD OF REIMBURSEMENT**

At the time this test claim was filed, Section 17557 of the Government Code stated that a test claim must be submitted on or before December 31 following a given fiscal year to establish eligibility for reimbursement for that fiscal year. On December 21, 1995, the City of Sacramento filed the test claim for this mandate. Therefore, costs incurred for Statutes of 1976, Chapter 465; Statutes of 1978, Chapters 775, 1173, 1174, and 1178; Statutes of 1979, Chapter 405; Statutes of 1980, Chapter 1367; Statutes of 1982, Chapter 994; Statutes of 1983, Chapter 964; Statutes of 1989, Chapter 1165; and Statutes of 1990, Chapter 675 are eligible for reimbursement on or after July 1, 1994.

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<sup>1</sup> Government Code section 3301 states: “For purposes of this chapter, the term public safety officer means all peace officers specified in Sections 830.1, 830.2, 830.3, 830.31, 830.32, 830.33, except subdivision (e), 830.34, 830.35, except subdivision (c), 830.36, 830.37, 830.38, 830.4, and 830.5 of the Penal Code.”

Actual costs for one fiscal year shall be included in each claim. Estimated costs for the subsequent year may be included on the same claim, if applicable. Pursuant to section 17561, subdivision (d)(1) of the Government Code, all claims for reimbursement of initial years' costs shall be submitted within 120 days of notification by the State Controller of the issuance of claiming instructions.

If total costs for a given year do not exceed \$200, no reimbursement shall be allowed, except as otherwise allowed by Government Code section 17564.

#### **IV. REIMBURSABLE ACTIVITIES**

For each eligible claimant, all direct and indirect costs of labor, supplies and services, training and travel for the performance of the following activities; are eligible for reimbursement:

##### **A. Administrative Activities (On-going Activities)**

1. Developing or updating internal policies, procedures, manuals and other materials pertaining to the conduct of the mandated activities
2. Attendance at specific training for human resources, law enforcement and legal counsel regarding the requirements of the mandate.
3. Updating the status of the POBAR cases.

##### **B. Administrative Appeal**

1. Reimbursement period of July 1, 1994 through December 31, 1998 – The administrative appeal activities listed below apply to permanent employees, at-will employees, and probationary employees.

Providing the opportunity for, and the conduct of an administrative appeal for the following disciplinary actions (Gov. Code, § 3304, subd. (b)):

- Dismissal, demotion, suspension, salary reduction or written reprimand received by probationary and at-will employees whose liberty interest are not affected (i.e.: the charges supporting a dismissal do not harm the employee's reputation or ability to find future employment);
- Transfer of permanent, probationary and at-will employees for purposes of punishment;
- Denial of promotion for permanent, probationary and at-will employees for reasons other than merit; and
- Other actions against permanent, probationary and at-will employees that result in disadvantage, harm, loss or hardship and impact the career opportunities of the employee.

Included in the foregoing are the preparation and review of the various documents to commence and proceed with the administrative hearing; legal review and assistance with the conduct of the administrative hearing; preparation and service of subpoenas, witness fees, and salaries of employee witnesses, including overtime; the time and labor of the administrative body and its attendant clerical services; the preparation and service of any rulings or orders of the administrative body.

2. Reimbursement period beginning January 1, 1999 – The administrative appeal activities listed below apply to permanent employees and the Chief of Police.



Providing the opportunity for, and the conduct of an administrative appeal for the following disciplinary actions (Gov. Code, § 3304, subd. (b)):

- Dismissal, demotion, suspension, salary reduction or written reprimand received by the Chief of Police whose liberty interest is not affected (i.e.: the charges supporting a dismissal do not harm the employee's reputation or ability to find future employment);
- Transfer of permanent employees for purposes of punishment;
- Denial of promotion for permanent employees for reasons other than merit; and
- Other actions against permanent employees or the Chief of Police that result in disadvantage, harm, loss or hardship and impact the career opportunities of the employee.

Included in the foregoing are the preparation and review of the various documents to commence and proceed with the administrative hearing; legal review and assistance with the conduct of the administrative hearing; preparation and service of subpoenas, witness fees, and salaries of employee witnesses, including overtime; the time and labor of the administrative body and its attendant clerical services; the preparation and service of any rulings or orders of the administrative body.

#### C. Interrogations

Claimants are eligible for reimbursement for the performance of the activities listed in this section only when a peace officer is under investigation, or becomes a witness to an incident under investigation, and is subjected to an interrogation by the commanding officer, or any other member of the employing public safety department, that could lead to dismissal, demotion, suspension, reduction in salary, written reprimand, or transfer for purposes of punishment. (Gov. Code, § 3303).

Claimants are not eligible for reimbursement for the activities listed in this section when an interrogation of a peace officer is in the normal course of duty, counseling, instruction, or informal verbal admonishment by, or other routine or unplanned contact with, a supervisor or any other public safety officer. Claimants are also not eligible for reimbursement when the investigation is concerned solely and directly with alleged criminal activities. (Gov. Code, § 3303, subd. (i)).

1. When required by the seriousness of the investigation, compensating the peace officer for interrogations occurring during off-duty time in accordance with regular department procedures. (Gov. Code, § 3303, subd. (a)).

Included in the foregoing is the preparation and review of overtime compensation requests.

2. Providing prior notice to the peace officer regarding the nature of the interrogation and identification of the investigating officers. (Gov. Code, § 3303, subds. (b) and (c)).

Included in the foregoing is the review of agency complaints or other documents to prepare the notice of interrogation; determination of the investigating officers; redaction of the agency complaint for names of the complainant or other accused parties or witnesses or confidential information; preparation of notice or agency complaint; review by counsel; and presentation of notice or agency complaint to peace officer.

3. Tape recording the interrogation when the peace officer employee records the interrogation. (Gov. Code, § 3303, subd. (g)).  
Included in the foregoing is the cost of tape and storage, and the cost of transcription.
4. Providing the peace officer employee with access to the tape prior to any further interrogation at a subsequent time, or if any further proceedings are contemplated and the further proceedings fall within the following categories (Gov. Code, § 3303, subd. (g));
  - a) The further proceeding is not a disciplinary action;
  - b) The further proceeding is a dismissal, demotion, suspension, salary reduction or written reprimand received by a probationary or at-will employee whose liberty interest is not affected (i.e., the charges supporting the dismissal does not harm the employee's reputation or ability to find future employment);
  - c) The further proceeding is a transfer of a permanent, probationary or at-will employee for purposes of punishment;
  - d) The further proceeding is a denial of promotion for a permanent, probationary or at-will employee for reasons other than merit;
  - e) The further proceeding is an action against a permanent, probationary or at-will employee that results in disadvantage, harm, loss or hardship and impacts the career of the employee.

Included in the foregoing is the cost of tape copying.

5. Producing transcribed copies of any notes made by a stenographer at an interrogation, and copies of reports or complaints made by investigators or other persons, except those that are deemed confidential, when requested by the officer, in the following circumstances (Gov. Code, § 3303, subd. (g)):
  - a) When the investigation does not result in disciplinary action; and
  - b) When the investigation results in:
    - A dismissal, demotion, suspension, salary reduction or written reprimand received by a probationary or at-will employee whose liberty interest *is not* affected (i.e.; the charges supporting the dismissal do not harm the employee's reputation or ability to find future employment);
    - A transfer of a permanent, probationary or at-will employee for purposes of punishment;
    - A denial of promotion for a permanent, probationary or at-will employee for reasons other than merit; or
    - Other actions against a permanent, probationary or at-will employee that result in disadvantage, harm, loss or hardship and impact the career of the employee.

Included in the foregoing is the review of the complaints, notes or tape recordings for issues of confidentiality by law enforcement, human relations or counsel; cost of processing, service and retention of copies.

#### D. Adverse Comment

Performing the following activities upon receipt of an adverse comment (Gov. Code, §§ 3305 and 3306):

##### School Districts

- (a) If an adverse comment results in the deprivation of employment through dismissal, suspension, demotion, reduction in pay or written reprimand for a permanent peace officer, or harms the officer's reputation and opportunity to find future employment, then schools are entitled to reimbursement for:
- Obtaining the signature of the peace officer on the adverse comment; or
  - Noting the peace officer's refusal to sign the adverse comment on the document and obtaining the signature or initials of the peace officer under such circumstances.
- (b) If an adverse comment *is* obtained in connection with a promotional examination, then school districts are entitled to reimbursement for the following activities:
- Providing notice of the adverse comment;
  - Providing an opportunity to review and sign the adverse comment;
  - Providing an opportunity to respond to the adverse comment within 30 days; and
  - Noting the peace officer's refusal to sign the adverse comment on the document and obtaining the signature or initials of the peace officer under such circumstances.
- (c) If an adverse comment *is not* obtained in connection with a promotional examination, then school districts are entitled to reimbursement for:
- Obtaining the signature of the peace officer on the adverse comment; or
  - Noting the peace officer's refusal to sign the adverse comment on the document and obtaining the signature or initials of the peace officer under such circumstances.

##### Counties

- (a) If an adverse comment results in the deprivation of employment through dismissal, suspension, demotion, reduction in pay or written reprimand for a permanent peace officer, or harms the officer's reputation and opportunity to find future employment, then schools are entitled to reimbursement for:
- Obtaining the signature of the peace officer on the adverse comment; or
  - Noting the peace officer's refusal to sign the adverse comment on the document and obtaining the signature or initials of the peace officer under such circumstances.
- (b) If an adverse comment *is* related to the investigation of a possible criminal offense, then counties are entitled to reimbursement for the following activities:
- Providing notice of the adverse comment;
  - Providing an opportunity to review and sign the adverse comment;

- Providing an opportunity to respond to the adverse comment within 30 days; and
  - Noting the peace officer's refusal to sign the adverse comment on the document and obtaining the signature or initials of the peace officer under such circumstances.
- (c) If an adverse comment *is not* related to the investigation of a possible criminal offense, then counties obtained are entitled to reimbursement for:
- Providing notice of the adverse comment; and
  - Obtaining the signature of the peace officer on the adverse comment; or
  - Noting the peace officer's refusal to sign the adverse comment on the document and obtaining the signature or initials of the peace officer under such circumstances.

#### Cities and Special Districts

- (a) If an adverse comment results in the deprivation of employment through dismissal, suspension, demotion, reduction in pay or written reprimand for a permanent peace officer, or harms the officer's reputation and opportunity to find future employment, then schools are entitled to reimbursement for:
- Obtaining the signature of the peace officer on the adverse comment; or
  - Noting the peace officer's refusal to sign the adverse comment on the document and obtaining the signature or initials of the peace officer under such circumstances.
- (b) If an adverse comment *is* related to the investigation of a possible criminal offense, then cities and special districts are entitled to reimbursement for the following activities:
- Providing notice of the adverse comment;
  - Providing an opportunity to review and sign the adverse comment;
  - Providing an opportunity to respond to the adverse comment within 30 days; and
  - Noting the peace officer's refusal to sign the adverse comment on the document and obtaining the signature or initials of the peace officer under such circumstances.
- (c) If an adverse comment *is not* related to the investigation of a possible criminal offense, then cities and special districts are entitled to reimbursement for the following activities:
- Providing notice of the adverse comment;
  - Providing an opportunity to respond to the adverse comment within 30 days; and
  - Obtaining the signature of the peace officer on the adverse comment; or
  - Noting the peace officer's refusal to sign the adverse comment on the document and obtaining the signature or initials of the peace officer under such circumstances.

Included in the foregoing are review of circumstances or documentation leading to adverse comment by supervisor, command staff, human resources staff or counsel, including determination of whether same constitutes an adverse comment; preparation of comment and review for accuracy; notification and presentation of adverse comment to officer and notification concerning rights regarding same; review of response to adverse comment, attaching same to adverse comment and filing.

## **V. CLAIM PREPARATION AND SUBMISSION**

Claims for reimbursement must be timely filed and identify each cost element for which reimbursement is claimed under this mandate. Claimed costs must be identified to each reimbursable activity identified in Section IV. of this document.

### **SUPPORTING DOCUMENTATION**

Claimed costs shall be supported by the following cost element information:

#### **A. Direct Costs**

Direct Costs are defined as costs that can be traced to specific goods, services, units, programs, activities or functions.

Claimed costs shall be supported by the following cost element information:

##### **1. Salaries and Benefits**

Identify the employee(s), and/or show the classification of the employee(s) involved. Describe the reimbursable activities performed and specify the actual time devoted to each reimbursable activity by each employee, the productive hourly rate, and related employee benefits.

Reimbursement includes compensation paid for salaries, wages, and employee benefits. Employee benefits include regular compensation paid to an employee during periods of authorized absences (e.g., annual leave, sick leave) and the employer's contributions to social security, pension plans, insurance, and worker's compensation insurance. Employee benefits are eligible for reimbursement when distributed equitably to all job activities performed by the employee.

##### **2. Materials and Supplies**

Only expenditures that can be identified as a direct cost of this mandate may be claimed. List the cost of the materials and supplies consumed specifically for the purposes of this mandate. Purchases shall be claimed at the actual price after deducting cash discounts, rebates and allowances received by the claimant. Supplies that are withdrawn from inventory shall be charged based on a recognized method of costing, consistently applied.

##### **3. Contract Services**

Provide the name(s) of the contractor(s) who performed the services, including any fixed contracts for services. Describe the reimbursable activity(ies) performed by each named contractor and give the number of actual hours spent on the activities, if applicable. Show the inclusive dates when services were performed and itemize all costs for those services. Submit contract consultant and attorney invoices with the claim. █

##### **4. Travel**

Travel expenses for mileage, per diem, lodging, and other employee entitlements are eligible for reimbursement in accordance with the rules of the local jurisdiction.

Provide the name(s) of the traveler(s), purpose of travel, inclusive dates and times of travel, destination points, and travel costs.

## 5. Training

The cost of training an employee to perform the mandated activities is eligible for reimbursement. Identify the employee(s) by name and job classification. Provide the title and subject of the training session, the date(s) attended, and the location.

Reimbursable costs may include salaries and benefits, registration fees, transportation, lodging, and per diem.

## B. Indirect Costs

Indirect costs are defined as costs which are incurred for a common or joint purpose, benefiting more than one program and are not directly assignable to a particular department or program without efforts disproportionate to the result achieved. Indirect costs may include both (1) overhead costs of the unit performing the mandate; and (2) the costs of central government services distributed to other departments based on a systematic and rational basis through a cost allocation plan.

Compensation for indirect costs is eligible for reimbursement utilizing the procedure provided in the OMB A-87. Claimants have the option of using 10% of direct labor, excluding fringe benefits, or preparing an Indirect Cost Rate Proposal (ICRP) for the department if the indirect cost rate claimed exceeds 10%. If more than one department is claiming indirect costs for the mandated program, each department must have its own ICRP prepared in accordance with OMB A-87. An ICRP must be submitted with the claim when the indirect cost rate exceeds 10%.

## VI. SUPPORTING DATA

For audit purposes, all costs claimed shall be traceable to source documents (e.g., employee time records, invoices, receipts, purchase orders, contracts, worksheets, calendars, declarations, etc.) that show evidence of the validity of such costs and their relationship to the state mandated program. All documentation in support of the claimed costs shall be made available to the State Controller's Office, as may be requested, and all reimbursement claims are subject to audit during the period specified in Government Code section 17558.5, subdivision (a).

All claims shall identify the number of cases in process at the beginning of the fiscal year, the number of new cases added during the fiscal year, the number of cases completed or closed during the fiscal year, and the number of cases in process at the end of the fiscal year.

## VII. OFFSETTING SAVINGS AND OTHER REIMBURSEMENT

Any offsetting savings the claimant experiences as a direct result of the subject mandate shall be deducted from the costs claimed. In addition, reimbursement for this mandate received from any source, including but not limited to, service fees collected, federal funds and other state funds shall be identified and deducted from this claim.

## VIII. STATE CONTROLLER'S OFFICE REQUIRED CERTIFICATION

An authorized representative of the claimant shall be required to provide a certification of the claim, as specified in the State Controller's claiming instructions, for those costs mandated by the State contained herein.

CLAIM FOR PAYMENT Pursuant to Government Code Section 17561 PEACE OFFICERS PROCEDURAL BILL OF RIGHTS			For State Controller Use Only		Program
			(19) Program Number 00239		239
			(20) Date Filed ____/____/____		
			(21) LRS Input ____/____/____		
L A B E L  H E R E	(01) Claimant Identification Number		Reimbursement Claim Data		
	(02) Claimant Name		(22) PPBR-1, (03)(a)		
	County of Location		(23) PPBR-1, (03)(b)		
	Street Address or P.O. Box Suite		(24) PPBR-1, (03)(c)		
	City State Zip Code		(25) PPBR-1, (03)(d)		
			(26) PPBR-1, (04)(1)(e)		
Type of Claim	Estimated Claim		Reimbursement Claim		(27) PPBR-1, (04)(2)(e)
	(03) Estimated <input type="checkbox"/>	(09) Reimbursement <input type="checkbox"/>			(28) PPBR-1, (04)(3)(e)
	(04) Combined <input type="checkbox"/>	(10) Combined <input type="checkbox"/>			(29) PPBR-1, (04)(4)(e)
	(05) Amended <input type="checkbox"/>	(11) Amended <input type="checkbox"/>			
Fiscal Year of Cost	(06) 20____/20____	(12) 20____/20____	(30) PPBR-1, (06)		
Total Claimed Amount	(07)	(13)	(31) PPBR-1, (07)		
Less: 10% Late Penalty, not to exceed \$1,000		(14)	(32) PPBR-1, (09)		
Less: Prior Claim Payment Received		(15)	(33) PPBR-1, (10)		
Net Claimed Amount		(16)	(34)		
Due from State	(08)	(17)	(35)		
Due to State		(18)	(36)		
<b>(37) CERTIFICATION OF CLAIM</b> <p>In accordance with the provisions of Government Code Section 17561, I certify that I am the officer authorized by the community college district to file mandated cost claims with the State of California for this program, and certify under penalty of perjury that I have not violated any of the provisions of Government Code Sections 1090 to 1098, inclusive.</p> <p>I further certify that there was no application other than from the claimant, nor any grant or payment received, for reimbursement of costs claimed herein, and such costs are for a new program or increased level of services of an existing program. All offsetting savings and reimbursements set forth in the Parameters and Guidelines are identified, and all costs claimed are supported by source documentation currently maintained by the claimant.</p> <p>The amounts for this Estimated Claim and/or Reimbursement Claim are hereby claimed from the State for payment of estimated and/or actual costs set forth on the attached statements. I certify under penalty of perjury under the laws of the the State of California that the foregoing is true and correct.</p> <div style="display: flex; justify-content: space-between;"> <div>Signature of Authorized Officer</div> <div>Date</div> </div> <div style="display: flex; justify-content: space-between; margin-top: 20px;"> <div>_____</div> <div>_____</div> </div> <div style="display: flex; justify-content: space-between;"> <div>Type or Print Name</div> <div>Title</div> </div>					
(38) Name of Contact Person for Claim		Telephone Number ( ) - Ext.			
		E-Mail Address			

<b>Program</b> <b>239</b>	<b>PEACE OFFICERS PROCEDURAL BILL OF RIGHTS</b> <b>Certification Claim Form</b> <b>Instructions</b>	<b>FORM</b> <b>FAM-27</b>
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- (01) Enter the payee number assigned by the State Controller's Office.
- (02) Enter your Official Name, County of Location, Street or P. O. Box address, City, State, and Zip Code.
- (03) If filing an estimated claim, enter an "X" in the box on line (03) Estimated.
- (04) Leave blank.
- (05) If filing an amended estimated claim, enter an "X" in the box on line (05) Amended.
- (06) Enter the fiscal year in which costs are to be incurred.
- (07) Enter the amount of the estimated claim. If the estimate exceeds the previous year's actual costs by more than 10%, complete forms PPBR-1 and enter the amount from line (11).
- (08) Enter the same amount as shown on line (07).
- (09) If filing a reimbursement claim, enter an "X" in the box on line (09) Reimbursement.
- (10) Leave blank.
- (11) If filing an amended reimbursement claim, enter an "X" in the box on line (11) Amended.
- (12) Enter the fiscal year for which actual costs are being claimed. If actual costs for more than one fiscal year are being claimed, complete a separate form FAM-27 for each fiscal year.
- (13) Enter the amount of the reimbursement claim from form PPBR-1, line (11). The total claimed amount must exceed \$1,000.
- (14) Reimbursement claims must be filed by January 15 of the following fiscal year in which costs are incurred or the claims shall be reduced by a late penalty. Enter zero if the claim was timely filed, otherwise, enter the product of multiplying line (13) by the factor 0.10 (10% penalty), or \$1,000, whichever is less.
- (15) If filing an actual reimbursement claim and an estimated claim was previously filed for the same fiscal year, enter the amount received for the claim. Otherwise, enter a zero.
- (16) Enter the result of subtracting line (14) and line (15) from line (13).
- (17) If line (16), Net Claimed Amount, is positive, enter that amount on line (17), Due from State.
- (18) If line (16), Net Claimed Amount, is negative, enter that amount on line (18), Due to State.
- (19) to (21) Leave blank.
- (22) to (36) Reimbursement Claim Data. Bring forward the cost information as specified on the left-hand column of lines (22) through (36) for the reimbursement claim e.g. PPBR-1, (04), means the information is located on form PPBR, line (04). Enter the information on the same line but in the right-hand column. Cost information should be rounded to the nearest dollar, i.e., no cents. Indirect cost percentage should be shown as a whole number without the percent symbol, i.e., 7.548% should be shown as 8. **Completion of this data block will expedite the payment process.**
- (37) Read the statement "Certification of Claim." If it is true, the claim must be dated, signed by the agency's authorized officer, and must include the person's name and title, typed or printed. **Claims cannot be paid unless accompanied by an original signed certification. (To expedite the payment process, please sign the form FAM-27 with blue ink, and attach a copy of the form FAM-27 to the top of the claim package.)**
- (38) Enter the name, telephone number, and e-mail address of the person to contact if additional information is required.
- Claims should be rounded to the nearest dollar. Submit a signed original and a copy of form FAM-27, Claim for Payment, and all other forms and supporting documents. **(To expedite the payment process, please sign the form in blue ink, and attach a copy of the form FAM-27 to the top of the claim package.)** Use the following mailing addresses:

**Address, if delivered by other delivery service:**

**OFFICE OF THE STATE CONTROLLER**  
**ATTN: Local Reimbursements Section**  
**Division of Accounting and Reporting**  
**3301 C Street, Suite 500**  
**Sacramento, CA 95816**

**Address, if delivered by other delivery service:**

**OFFICE OF THE STATE CONTROLLER**  
**ATTN: Local Reimbursements Section**  
**Division of Accounting and Reporting**  
**3301 C Street, Suite 500**  
**Sacramento, CA 95816**



<b>Program</b> <b>239</b>	<b>MANDATED COSTS</b> <b>PEACE OFFICERS PROCEDURAL BILL OF RIGHTS</b> <b>CLAIM SUMMARY</b>				<b>FORM</b> <b>PPBR-1</b>	
(01) Claimant			(02) Type of Claim		Fiscal Year	
			Reimbursement <input type="checkbox"/>			
			Estimated <input type="checkbox"/>		20__/20__	
<b>Claim Statistics</b>						
(03) (a) Number of cases in process at the beginning of the fiscal year						
(b) Number of new cases added during the fiscal year						
(c) Number of cases completed or closed during the fiscal year						
(d) Number of cases in process at the end of the fiscal year						
<b>Direct Costs</b>		<b>Object Accounts</b>				
(04) Reimbursable Activities		(a) Salaries and Benefits	(b) Materials and Supplies	(c) Travel and Training	(d) Contract Services	(e) Total
1. Administrative Activities						
2. Administrative Appeal						
3. Interrogations						
4. Adverse Comment						
(05) Total Direct Costs						
<b>Indirect Costs</b>						
(06) Indirect Cost Rate [Federally approved OMB A-21, FAM-29C, or 7%]					%	
(07) Total Indirect Costs [Line (05)(a) x line (06)]						
(08) Total Direct and Indirect Costs [Line (05)(e) + line (07)]						
<b>Cost Reduction</b>						
(09) Less: Offsetting Savings, if applicable						
(10) Less: Other Reimbursements, if applicable						
(11) Total Claimed Amount [Line (08) – {line (09) + line (10)}]						

<b>Program</b> <b>239</b>	<b>PEACE OFFICERS PROCEDURAL BILL OF RIGHTS</b> <b>Certification Claim Form</b> <b>Instructions</b>	<b>FORM</b> <b>PPBR-1</b>
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- (01) Enter the name of the claimant.
- (02) Type of Claim. Check a box, Reimbursement or Estimated, to identify the type of claim being filed. Enter the fiscal year of costs.
- From PPBR-1 must be filed for a reimbursement claim. Do not complete form PPBR-1 if you are filing an estimated claim and the estimate does not exceed the previous fiscal year's actual costs by more than 10%. Simply enter the amount of the estimated claim on form FAM-27, line (07). However, if the estimated claim exceeds the previous fiscal year's actual costs by more than 10%, form PPBR-1 must be completed and a statement attached explaining the increased costs. Without this information the estimated claim will automatically be reduced to 110% of the previous fiscal year's actual costs.
- (03) (a) Enter the number of cases that were processed at the beginning of the fiscal year.
- (b) Enter the number of new cases that were added during the fiscal year.
- (c) Enter the number of cases that were completed or closed during the fiscal year.
- (d) Enter the number of cases that were in process at the end of the fiscal year.
- (04) Reimbursable Components. For each reimbursable component, enter the total from form PPBR-2, line (05), columns (d), (e), (f), and (g) to form PPBR-1, block (04) columns (a), (b), (c), and (d) in the appropriate row. Total each row.
- (05) Total Direct Costs. Total columns (a) through (e).
- (06) Indirect Cost Rate. Community college districts may use the federally approved OMBA-21 rate, the rate computed using form FAM 29C, or a 7% indirect cost rate, for the fiscal year of costs.
- (07) Total Indirect Costs. Enter the result of multiplying the Indirect Cost Rate, line (06), by the Total Salaries and Benefits, line (05)(a).
- (08) Total Direct and Indirect Costs. Enter the sum of Total Direct Costs, line (05)(e), and Total Indirect Costs, line (07).
- (09) Less: Offsetting Savings, if applicable. Enter the total savings experienced by the claimant as a direct result of this mandate. Submit a detailed schedule of savings with the claim.
- (10) Less: Other Reimbursements, if applicable. Enter the amount of other reimbursements received from any source including, but not limited to, service fees collected, federal funds, and other state funds, which reimbursed any portion of the mandated cost program. Submit a schedule detailing the reimbursement sources and amounts.
- (11) Total Claimed Amount. Subtract the sum of Offsetting Savings, line (09), and Other Reimbursements, line (10), from Total Direct and Indirect Costs, line (08). Enter the remainder on this line and carry the amount forward to form FAM-27, line (07) for the Estimated Claim or line (13) for the Reimbursement Claim.

<b>Program</b> <b>239</b>	<b>MANDATED COSTS</b> <b>POLICE OFFICERS PROCEDURAL BILL OF RIGHTS</b> <b>COMPONENT/ACTIVITY COST DETAIL</b>	<b>FORM</b> <b>PPBR-2</b>
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(01) Claimant	(02) Fiscal Year
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(03) Reimbursable Component: Check only **one** box per form to identify the component being claimed.

<input type="checkbox"/> Administrative Activities	<input type="checkbox"/> Administrative Appeal
<input type="checkbox"/> Interrogations	<input type="checkbox"/> Adverse Comment

(04) Description of Expenses	<b>Object Accounts</b>
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(a) Employee Names, Job Classifications, Functions Performed, and Description of Expenses	(b) Hourly Rate or Unit Cost	(c) Hours Worked or Quantity	(d) Salaries and Benefits	(e) Materials and Supplies	(f) Travel and Training	(g) Contract Services

(05) Total <input type="text"/> Subtotal <input type="text"/> Page: <input type="text"/> of <input type="text"/>				
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<b>Program</b> <b>239</b>	<b>POLICE OFFICERS PROCEDURAL BILL OF RIGHTS</b> <b>CLAIM SUMMARY</b> <b>Instructions</b>	<b>FORM</b> <b>PPBR-2</b>
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- (01) Enter the name of the claimant.
- (02) Fiscal year: Enter the fiscal year for which costs were incurred.
- (03) Reimbursable Components. Check the box, which indicates the cost component being claimed. Check only one box per form. A separate form PPBR-2 shall be prepared for each applicable component.
- (04) Description of Expenses. The following table identifies the type of information required to support reimbursable costs. To detail costs for the component activity box "checked" in block (03), enter the employee names, position titles, a brief description of the activities performed, actual time spent by each employee, productive hourly rates, fringe benefits, supplies used, travel and training expense, and contract services. **The descriptions required in column (4)(a) must be of sufficient detail to explain the cost of activities or items being claimed.** For audit purposes, all supporting documents must be retained by the claimant for a period of not less than three years after the end of the calendar year in which the reimbursement claim was filed or last amended, whichever is later. Such documents shall be made available to the State Controller's Office on request.

Object/ Sub object Accounts	Columns							Submit these supporting documents with the claim
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	
<b>Salaries</b>	Employee Name	Hourly Rate	Hours Worked	Salaries = Hourly Rate x Hours Worked				
<b>Benefits</b>	Title	Benefit Rate		Benefits = Benefit Rate x Salaries				
	Activities							
<b>Materials and Supplies</b>	Description of Supplies Used	Unit Cost	Quantity Used		Cost = Unit Cost x Quantity Used			
<b>Travel and Training</b>	Purpose of Trip Name and Title	Per Diem Rate	Days			Rate x Days or Miles		
<b>Travel</b>	Departure and Return Date	Mileage Rate Travel Cost	Miles Travel Mode			Total Travel Cost		
<b>Training</b>	Employee Name and Title Name of Class		Dates Attended			Registration Fee		
<b>Contract Services</b>	Name of Contractor Specific Tasks Performed	Hourly Rate	Hours Worked Inclusive Dates of Service				Cost = Hourly Rate x Hour Worked	Invoice

- (05) Total line (04), columns (d), (e), (f), and (g) and enter the sum on this line. Check the appropriate box to indicate if the amount is a total or subtotal. If more than one form is needed to detail the component costs, number each page. Enter totals from line (05), columns (d), (e), (f), and (g) to form PPBR-1, block (04), columns (a), (b), (c), and (d) in the appropriate row.

OFFICE OF THE STATE CONTROLLER  
STATE MANDATED COSTS CLAIMING INSTRUCTIONS NO. 2002-07  
PHOTOGRAPHIC RECORD OF EVIDENCE  
(COMMUNITY COLLEGES)

In accordance with Government Code (GC) Section 17561, eligible claimants may submit claims to the State Controller's Office (SCO) for reimbursement of costs incurred for state mandated cost programs. The following are claiming instructions and forms that eligible claimants will use for the filing of claims for the Photographic Record of Evidence (PRE) program. These claiming instructions are issued subsequent to adoption of the program's parameters and guidelines (P's & G's) by the Commission on State Mandates (COSM).

Penal Code Section 1417.3, as added by Chapter 875, Statutes of 1985, and amended by Chapter 734, Statutes of 1986, and Chapter 382, Statutes of 1990, requires a photographic record of evidence, and in some instances a certified chemical analysis of the exhibit, for those exhibits in a criminal trial that pose a security, storage, or safety problem, or if the exhibit, by its nature, is toxic and poses a health hazard to humans.

On October 26, 2000, the COSM determined that Chapters 875/85, 734/86, and 382/90 established costs mandated by the State according to the provisions listed in the attached P's & G's. For your reference, the P's & G's are included as an integral part of the claiming instructions.

**Eligible Claimants**

Any community college district, with law enforcement agencies that introduce exhibits in criminal trials, and incurs increased costs as a direct result of this mandate is eligible to claim reimbursement of these costs.

**Filing Deadlines**

**A. Reimbursement Claims**

Reimbursement claims must be filed within 120 days from the issuance date of claiming instructions. Costs incurred in implementing the provisions of this program are reimbursable for fiscal years 1997-98, through 2000-01 and must be filed with the SCO and be delivered or postmarked on or before **September 4, 2002**. Estimated claims for 2001-02 fiscal year must also be delivered or postmarked on or before **September 4, 2002**. Thereafter, having received payment for an estimated claim, the claimant must file an annual reimbursement claim by January 15 of the following fiscal year. Claims filed after the deadline will be reduced by a late penalty of 10%, not to exceed \$1,000.

In order for a claim to be considered properly filed, it must include any specific supporting documentation requested in the instructions. **Claims filed more than one year after the deadline will not be accepted.**

## **B. Estimated Claims**

Unless otherwise specified in the claiming instructions, school districts are not required to provide cost schedules and supporting documents with an estimated claim if the estimated amount does not exceed the previous fiscal year's actual costs by more than 10%. Claimants can simply enter the estimated amount on form FAM-27, line (07). However, if the estimated claim exceeds the previous fiscal year's actual costs by more than 10%, claimants must complete supplemental claim forms to support their estimated costs as specified for the program to explain the reason for the increased costs. If no explanation supporting the higher estimate is provided with the claim, it will automatically be adjusted to 110% of the previous fiscal year's actual costs. Future estimated claims filed with the SCO must be postmarked by January 15 of the fiscal year in which costs will be incurred. Claims filed timely will be paid before late claims.

### **Minimum Claim Cost**

GC Section 17564 provides that no claim shall be filed pursuant to Sections 17551 and 17561, unless such a claim exceeds two hundred dollars (\$200), provided that a county superintendent of schools or county may submit a combined claim on behalf of school districts, direct service districts, or special districts within their county if the combined claim exceeds \$200, even if the individual school district's, direct service district's, or special district's claims do not each exceed \$200. The county superintendent of schools or the county shall determine if the submission of the combined claim is economically feasible and shall be responsible for disbursing the funds to each school, direct service, or special district. These combined claims may be filed only when the county superintendent of schools or the county is the fiscal agent for the districts. A combined claim must show the individual claim costs for each eligible district. All subsequent claims based upon the same mandate shall only be filed in the combined form unless a school district, direct service district, or special district provides to the county superintendent of schools or county and to the SCO, at least 180 days prior to the deadline for filing the claim, a written notice of its intent to file a separate claim.

### **Reimbursement of Claims**

Initial reimbursement claims will only be reimbursed to the extent that expenditures can be supported and, if such information is unavailable, claims will be reduced. In addition, ongoing reimbursement claims must be supported by documentation as evidence of the expenditures. Examples of documentation may include, but are not limited to, employee time records that identify mandate activities, payroll records, invoices, receipts, contracts, travel expense vouchers, purchase orders, and caseload statistics.

### **Audit of Costs**

All claims submitted to the SCO are reviewed to determine if costs are related to the mandate, are reasonable and not excessive, and the claim was prepared in accordance with the P's & G's adopted by the COSM. If any adjustments are made to a claim, a "Notice of Claim Adjustment" specifying the claim component adjusted, the amount adjusted, and the reason for the adjustment, will be mailed within 30 days after payment of the claim.

On-site audits will be conducted by the SCO as deemed necessary. Accordingly, all documentation to support actual costs claimed must be retained for a period of two years after the end of the calendar year in which the reimbursement claim was filed or amended regardless of the year of costs incurred. When no funds are appropriated for initial claims at the time the claim is filed, supporting documents

must be retained for two years from the date of initial payment of the claim. Claim documentation shall be made available to the SCO on request.

### **Retention of Claiming Instructions**

The claiming instructions and forms in this package should be retained permanently in your Mandated Cost Manual for future reference and use in filing claims. These forms should be duplicated to meet your filing requirements. You will be notified of updated forms or changes to claiming instructions as necessary.

For your reference, these and future mandated costs claiming instructions and forms can be found on the Internet at [www.sco.ca.gov/ard/local/locreim/index.htm](http://www.sco.ca.gov/ard/local/locreim/index.htm).

### **Address for Filing Claims**

Submit a signed, original form FAM-27, Claim for Payment, and all other forms and supporting documents (no copies necessary) to:

If delivered by  
U.S. Postal Service:

Office of the State Controller  
Attn: Local Reimbursements Section  
Division of Accounting and Reporting  
P.O. Box 942850  
Sacramento, CA 94250

If delivered by  
Other delivery services:

Office of the State Controller  
Attn: Local Reimbursements Section  
Division of Accounting and Reporting  
3301 C Street, Suite 500  
Sacramento, CA 95816

## **Parameters and Guidelines**

Penal Code Section 1417.3  
Statutes of 1985, Chapter 875  
Statutes of 1986, Chapter 734  
Statutes of 1990, Chapter 382

### ***Photographic Record of Evidence***

#### **I. SUMMARY AND SOURCE OF THE MANDATE**

Penal Code section 1417.3, as added by Statutes of 1985, chapter 875, and amended by Statutes of 1986, chapter 734, and Statutes of 1990, chapter 382, requires a photographic record of evidence, and in some instances a certified chemical analysis of the exhibit, for those exhibits in a criminal trial that pose a security, storage, or safety problem, or if the exhibit, by its nature, is toxic and poses a health hazard to humans.

On October 26, 2000, the Commission adopted its Statement of Decision that the test claim legislation constitutes a reimbursable state mandated program upon law enforcement agencies within the meaning of article XIII B, section 6 of the California Constitution and Government Code section 17514 for the following:

- Activities reasonably necessary to provide a photographic record of evidence for evidence that poses a security, safety, or storage problem as determined by the court. (Pen. Code, § 1417.3, subd. (a).)
- Activities reasonably necessary to provide a photographic record of evidence for evidence that poses a health hazard. (Pen. Code, § 1417.3, subd. (b).)
- The provision of a certified written chemical analysis of evidence that poses a health hazard. (Pen. Code, § 1417.3, subd. (b).)
- The storage of evidence that poses a security, safety, or storage problem as determined by the court. (Pen. Code, § 1417.3, subd. (a).)
- The storage of evidence that poses a health hazard. (Pen. Code, § 1417.3, subd. (b).)

#### **II. ELIGIBLE CLAIMANTS**

Counties, cities, or a city and county, school districts and special districts that have law enforcement agencies that introduce exhibits in criminal trials are eligible claimants.

#### **III. PERIOD OF REIMBURSEMENT**

Section 17557 of the Government Code states that a test claim must be submitted on or before June 30<sup>th</sup> following a fiscal year to establish eligibility for reimbursement for that fiscal year. This test claim was filed by the City of Los Angeles, Police Department on October 23, 1998. Therefore, costs incurred for Statutes of 1985, chapter 875, Statutes of 1986, chapter 734, and Statutes of 1990, chapter 382, are eligible for reimbursement on or after July 1, 1997.

Actual costs for one fiscal year shall be included in each claim. Estimated costs for the subsequent year may be included in the same claim, if applicable. Pursuant to Government Code



section 17561, subdivision (d)(1), all claims for reimbursement of initial years' costs shall be submitted within 120 days from the date on which the State Controller issues claiming instructions.

If total costs for a given year do not exceed \$200.00, no reimbursement shall be allowed, except as otherwise allowed by Government Code section 17564.

#### **IV. REIMBURSABLE ACTIVITIES**

For each eligible claimant, the following activities are eligible for reimbursement:

##### **A. Administrative Activities**

1. Developing internal policies, procedures, and manuals, to implement the activities listed in sections IV.B, IV.C, and IV.D of these Parameters and Guidelines (one-time activity).
2. Maintaining files manually or electronically pursuant to implementation of activities listed in sections IV.B, IV.C, and IV.D. of these Parameters and Guidelines. The cost of this activity will be prorated for photographs actually introduced or offered as exhibits (ongoing activity).

##### **B. Photographic Record of Evidence (Pen. Code, § 1417.3(a))**

For exhibits that pose a security, safety, or storage problem as determined by the court, or for exhibits that pose a health hazard to humans, including the definition of hazardous waste in 40 Code of Federal Regulations part 261, or human health hazards which are subject to Health and Safety Code sections 117600 *et seq.*, or Health and Safety Code sections 25140, *et seq.*:

1. Purchasing equipment and supplies reasonably necessary to photograph the exhibits, whether for digital or film pictures, including, but not limited to: cameras, developing equipment, laser printers, software, film, computers, and storage.
2. Taking of the photographs, sorting and storing photographs, and developing and printing photographs. This activity is limited to photographs actually introduced or offered into evidence as exhibits. Claimant must provide supporting documentation with subsequent reimbursement claims that the court has deemed the exhibit a security, safety or storage problem by providing a copy of the court order, local rule, or other proof of the court's determination.

##### **C. Provision of Certified Written Chemical Analysis (Pen. Code, § 1417.3(b))**

For those exhibits that pose a health hazard to humans, the sampling, analysis, and preparation of a written report by a laboratory certified by the State of California for performing the chemical analysis. This does not include reimbursement for sampling, analysis, or report preparation for controlled substances, including those defined in Health and Safety Code sections 11054 *et seq.* unless the exhibit is toxic and poses a health hazard to humans.

**D. Storage of Exhibits (Cal. Code of Regs., tit. 2, § 1183.1(a))**

For exhibits that pose a security, safety, or storage problem as determined by the court, or for exhibits that pose a health hazard to humans for which the local entity offers or introduces a photographic record of evidence:

Transportation to and maintenance within an appropriate storage facility for the type of exhibit. Storage of the exhibit shall be from the time of photographing until after final determination of the action as prescribed by Penal Code sections 1417.1, 1417.5, 1417.6, or court order or rule of court that dictates the retention schedule for exhibits in criminal trials.

**V. CLAIM PREPARATION AND SUBMISSION**

Each claim for reimbursement pursuant to this mandate must be timely filed and identify each of the following cost elements for each reimbursable activity identified in section IV of this document.

**A. Direct Cost Reporting**

Direct costs are those costs incurred specifically for the reimbursable activities. Direct costs that are eligible for reimbursement are:

**1. Salaries and Benefits**

Report each employee implementing the reimbursable activities by name, job classification, and productive hourly rate (total wages and related benefits divided by productive hours). Describe the specific reimbursable activities performed and the hours devoted to each reimbursable activity performed.

**2. Materials and Supplies**

Report the cost of materials and supplies that have been consumed or expended for the purpose of these reimbursable activities. Purchases shall be claimed at the actual price after deducting discounts, rebates, and allowances received by the claimant. Supplies that are withdrawn from inventory shall be charged based on an appropriate and recognized method of costing, consistently applied.

**3. Contracted Services**

Report the name(s) of the contractor(s) and service(s) performed to implement the reimbursable activities. Attach a copy of the contract to the claim. If the contractor bills for time and materials, report the number of hours spent on the activities and all costs charged. If the contract is a fixed price, report the dates when services were performed and itemize all costs for those services.

**4. Fixed Assets and Equipment**

Report the purchase price paid for fixed assets and equipment (including computers) necessary to implement the reimbursable activities. The purchase price includes taxes, delivery costs, and installation costs. If the fixed asset or equipment is also used for purposes other than the reimbursable activities, only the pro-rata portion of the purchase price used to implement the reimbursable activities can be claimed.

## 5. Travel

Report the name of the employee traveling for the purpose of the reimbursable activities. Include the date of travel, destination point, the specific reimbursable activity requiring travel, and related travel expenses reimbursed to the employee in compliance with the rules of the local jurisdiction. Report employee travel time according to the rules of cost element A.1, Salaries and Benefits, for each applicable reimbursable activity.

## 6. Training

Report the cost of training an employee to perform the reimbursable activities, as specified in Section IV of this document. Report the name and job classification of each employee preparing for, attending, and/or conducting training necessary to implement the reimbursable activities. Provide the title, subject, and purpose (related to the mandate of the training session), dates attended, and location. If the training encompasses subjects broader than the reimbursable activities, only the pro-rata portion can be claimed. Report employee training time for each applicable reimbursable activity according to the rules of cost element A.1, Salaries and Benefits, and A.2, Materials and Supplies. Report the cost of consultants who conduct the training according to the rules of cost element A.3, Contracted Services.

## B. Indirect Costs

Compensation for indirect costs is eligible for reimbursement.

### 1. School Districts

School districts must use the J-380 (or subsequent replacement) nonrestrictive indirect cost rate provisionally approved by the California Department of Education.

County offices of education must use the J-580 (or subsequent replacement) nonrestrictive indirect cost rate provisionally approved by the California Department of Education.

Community colleges have the option of using: (1) a federally approved rate, utilizing the cost accounting principles from the Office of Management and Budget Circular A-21, "Cost Principles of Educational Institutions"; (2) the rate calculated on State Controller's Form FAM-29C; or (3) a 7% indirect cost rate.

### 2. Counties, Cities and Special Districts

Claimants have the option of using 10% of direct labor, excluding fringe benefits, or preparing an Indirect Cost Rate Proposal (ICRP) if the indirect cost rate claimed exceeds 10%.

If the claimant chooses to prepare an ICRP, both the direct costs (as defined and described in OMB Circular A-87 Attachment A and B) and the indirect costs shall exclude capital expenditures and unallowable costs (as defined and described in OMB Circular A-87 Attachments A and B). However, unallowable costs must be included in the direct costs if they represent activities to which indirect costs are properly allocable.

The distribution base may be (1) total direct costs (excluding capital expenditures and other distorting items, such as pass-through funds, major subcontracts, etc.), (2) direct salaries and wages, or (3) another base which results in an equitable distribution.

In calculating an ICRP, the Claimant shall have the choice of one of the two following methodologies:

- a. The allocation of allowable indirect costs (as defined and described in OMB Circular A-87 Attachments A and B) shall be accomplished by (1) classifying a department's total costs for the base period as either direct or indirect, and (2) dividing the total allowable indirect costs (net of applicable credits) by an equitable distribution base. The result of this process is an indirect cost rate which is used to distribute indirect costs to mandates. The rate should be expressed as a percentage which the total amount allowable indirect costs bears to the base selected.
- b. The allocation of allowable indirect costs (as defines and described in OMB Circular A-87 Attachment A and B) shall be accomplished by (1) separating a department into groups, such as divisions or sections, and then classifying the division's or section's total costs for the base period as either direct or indirect, and (2) dividing the total allowable indirect costs (net of applicable credits) by an equitable distribution base. The result of this process is an indirect cost rate which is used to distribute indirect costs to mandates. The rate should be expressed as a percentage which the total amount allowable indirect costs bears to the base selected.

## **VI. SUPPORTING DATA**

### **A. Source Documents**

For auditing purposes, all incurred costs claimed must be traceable to source documents that show evidence of the validity and their relationship to the reimbursable activities. Documents may include, but are not limited to, worksheets, employee time records or time logs, cost allocation reports (system generated), invoices, receipts, purchase orders, contracts, agendas, training packets with signatures and logs of attendees, calendars, declarations, and date relevant to the reimbursable activities otherwise reported in compliance with local, state, and federal government requirements.

### **B. Record Keeping**

Pursuant to Government Code section 17558.5, subdivision (a), a reimbursement claim for actual costs filed by a local agency or school district pursuant to this chapter is subject to audit by the State Controller no later than two years after the end of the calendar year in which the reimbursement claim is filed or last amended. See the State Controller's claiming instructions regarding retention of required documentation during the audit period.

## **VII. OFFSETTING SAVINGS AND REIMBURSEMENTS**

Any offsetting savings the claimant experiences in the same program as a result of the same statute or executive orders found to contain the mandate shall be deducted from the costs claimed. In addition, reimbursement for this mandate received from any source, including but not limited to, service fees collected, federal funds and other state funds, shall be identified and deducted from this claim. This includes offsets pursuant to Health and Safety Code section 11642, subdivision (c)(1) which authorizes the State Controller, to the extent funds are available, to reimburse counties with population under 1.75 million for the cost of removal, disposal or storage of toxic waste from clandestine drug labs.

## **VIII. STATE CONTROLLER'S OFFICE REQUIRED CERTIFICATION**

An authorized representative of the claimant shall be required to provide a certification of the claim, as specified in the State Controller's claiming instructions, for those costs mandated by the state contained herein.

## **IX. PARAMETERS AND GUIDELINES AMENDMENTS**

Parameters and guidelines may be amended pursuant to Title 2, California Code of Regulations, section 1183.2.

CLAIM FOR PAYMENT Pursuant to Government Code Section 17561 PHOTOGRAPHIC RECORD OF EVIDENCE (COMMUNITY COLLEGES)			For State Controller Use Only	Program <b>240</b>
(01) Claimant Identification Number			(19) Program Number 00240	
(02) Claimant Name			(20) Date Filed ____/____/____	
County of Location			(21) LRS Input ____/____/____	
Street Address or P.O. Box Suite			(22) PRE-1, (04)(1)(f)	
City State Zip Code			(23) PRE-1, (04)(2)(f)	
			(24) PRE-1, (04)(3)(f)	
			(25) PRE-1, (04)(4)(f)	
Type of Claim	Estimated <input type="checkbox"/>	Reimbursement Claim <input type="checkbox"/>	(26) PRE-1, (06)	
	(03) Estimated <input type="checkbox"/>	(09) Reimbursement <input type="checkbox"/>	(27) PRE-1, (07)	
	(04) Combined <input type="checkbox"/>	(10) Combined <input type="checkbox"/>	(28) PRE-1, (09)	
	(05) Amended <input type="checkbox"/>	(11) Amended <input type="checkbox"/>	(29) PRE-1, (10)	
Fiscal Year of Cost	(06) 20____/20____	(12) 20____/20____	(30)	
Total Claimed Amount	(07)	(13)	(31)	
Less: 10% Late Penalty, not to exceed \$1,000		(14)	(32)	
Less: Prior Claim Payment Received		(15)	(33)	
Net Claimed Amount		(16)	(34)	
Due from State	(08)	(17)	(35)	
Due to State		(18)	(36)	
<b>(37) CERTIFICATION OF CLAIM</b>				
In accordance with the provisions of Government Code Section 17561, I certify that I am the officer authorized by the community college district to file mandated cost claims with the State of California for this program, and certify under penalty of perjury that I have not violated any of the provisions of Government Code Sections 1090 to 1098, inclusive.				
I further certify that there was no application other than from the claimant, nor any grant or payment received, for reimbursement of costs claimed herein, and such costs are for a new program or increased level of services of an existing program. All offsetting savings and reimbursements set forth in the Parameters and Guidelines are identified, and all costs claimed are supported by source documentation currently maintained by the claimant.				
The amounts for this Estimated Claim and/or Reimbursement Claim are hereby claimed from the State for payment of estimated and/or actual costs set forth on the attached statements. I certify under penalty of perjury under the laws of the the State of California that the foregoing is true and correct.				
Signature of Authorized Officer			Date	
Type or Print Name			Title	
(38) Name of Contact Person for Claim			Telephone Number ( ) - Ext.	
			E-Mail Address	

<b>Program</b> <b>240</b>	<b>PHOTOGRAPHIC RECORD OF EVIDENCE (COMMUNITY COLLEGES)</b> <b>Certification Claim Form</b> <b>Instructions</b>	<b>FORM</b> <b>FAM-27</b>
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- (01) Enter the payee number assigned by the State Controller's Office.
- (02) Enter your Official Name, County of Location, Street or P. O. Box address, City, State, and Zip Code.
- (03) If filing an estimated claim, enter an "X" in the box on line (03) Estimated.
- (04) Leave blank.
- (05) If filing an amended estimated claim, enter an "X" in the box on line (05) Amended.
- (06) Enter the fiscal year in which costs are to be incurred.
- (07) Enter the amount of the estimated claim. If the estimate exceeds the previous year's actual costs by more than 10%, complete form PRE-1 and enter the amount from line (11).
- (08) Enter the same amount as shown on line (07).
- (09) If filing a reimbursement claim, enter an "X" in the box on line (09) Reimbursement.
- (10) Leave blank.
- (11) If filing an amended reimbursement claim, enter an "X" in the box on line (11) Amended.
- (12) Enter the fiscal year for which actual costs are being claimed. If actual costs for more than one fiscal year are being claimed, complete a separate form FAM-27 for each fiscal year.
- (13) Enter the amount of the reimbursement claim from form PRE-1, line (11). The total claimed amount must exceed \$1,000.
- (14) Reimbursement claims must be filed by January 15 of the following fiscal year in which costs were incurred or the claims shall be reduced by a late penalty. Enter zero if the claim was timely filed, otherwise, enter the product of multiplying line (13) by the factor 0.10 (10% penalty), not to exceed \$1,000.
- (15) If filing a reimbursement claim or an estimated claim was previously filed for the same fiscal year, enter the amount received for the claim. Otherwise, enter a zero.
- (16) Enter the result of subtracting line (14) and line (15) from line (13).
- (17) If line (16), Net Claimed Amount, is positive, enter that amount on line (17), Due from State.
- (18) If line (16), Net Claimed Amount, is negative, enter that amount on line (18), Due to State.
- (19) to (21) Leave blank.
- (22) to (36) Reimbursement Claim Data. Bring forward the cost information as specified on the left-hand column of lines (22) through (36) for the reimbursement claim, e.g., PRE-1, (04)(1)(f), means the information is located on form PRE-1, line (04)(1), column (f). Enter the information on the same line but in the right-hand column. Cost information should be rounded to the nearest dollar, i.e., no cents. Indirect costs percentage should be shown as a whole number and without the percent symbol, i.e., 7.548% should be shown as 8. **Completion of this data block will expedite the payment process.**
- (37) Read the statement "Certification of Claim." If it is true, the claim must be dated, signed by the agency's authorized officer, and must include the person's name and title, typed or printed. **Claims cannot be paid unless accompanied by an original signed certification. (To expedite the payment process, please sign the form FAM-27 with blue ink, and attach a copy of the form FAM-27 to the top of the claim package.)**
- (38) Enter the name, telephone number, and e-mail address of the person to contact if additional information is required.

**SUBMIT A SIGNED ORIGINAL, AND A COPY OF FORM FAM-27, WITH ALL OTHER FORMS AND SUPPORTING DOCUMENTS TO:**

***Address, if delivered by U.S. Postal Service:***

**OFFICE OF THE STATE CONTROLLER  
 ATTN: Local Reimbursements Section  
 Division of Accounting and Reporting  
 P.O. Box 942850  
 Sacramento, CA 94250**

***Address, if delivered by other delivery service:***

**OFFICE OF THE STATE CONTROLLER  
 ATTN: Local Reimbursements Section  
 Division of Accounting and Reporting  
 3301 C Street, Suite 500  
 Sacramento, CA 95816**

<b>Program</b> <span style="font-size: 24pt; font-weight: bold;">240</span>	<b>MANDATED COSTS</b> <b>PHOTOGRAPHIC RECORD OF EVIDENCE (COMMUNITY COLLEGES)</b> <b>CLAIM SUMMARY</b>					<b>FORM</b> <b>PRE-1</b>
(01) Claimant			(02) Type of Claim Reimbursement <input style="width: 40px;" type="text"/> Estimated <input style="width: 40px;" type="text"/>			Fiscal Year 20__/20__
<b>Claim Statistics</b>						
(03) (Leave Blank)						
<b>Direct Costs</b>		<b>Object Accounts</b>				
(04) Reimbursable Components  1. Administrative Activities  2. Photographic Record of Evidence  3. Provision of Certified Written Chemical Analysis  4. Storage of Exhibits	(a) Salaries and Benefits	(b) Materials and Supplies	(c) Contract Services	(d) Fixed Assets	(e) Travel and Training	(f) Total
(05) Total Direct Costs						
<b>Indirect Costs</b>						
(06) Indirect Cost Rate					[Federally approved OMB A-21, FAM-29C, or 7%] %	
(07) Total Indirect Costs					[Line (05)(a) x line (06)]	
(08) Total Direct and Indirect Costs					[Line (05)(f) + line (07)]	
<b>Cost Reduction</b>						
(09) Less: Offsetting Savings						
(10) Less: Other Reimbursements						
(11) Total Claimed Amount					[Line (08) - {line (09) + line (10)}]	



<b>Program</b> <b>240</b>	<b>PHOTOGRAPHIC RECORD OF EVIDENCE (COMMUNITY COLLEGES)</b> <b>CLAIM SUMMARY</b> <b>Instructions</b>	<b>FORM</b> <b>PRE-1</b>
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- (01) Enter the name of the claimant.
- (02) Type of Claim. Check a box, Reimbursement or Estimated, to identify the type of claim being filed. Enter the fiscal year of costs.
- Form PRE-1 must be filed for a reimbursement claim. Do not complete form PRE-1 if you are filing an estimated claim and the estimate does not exceed the previous fiscal year's actual costs by more than 10%. Simply enter the amount of the estimated claim on form FAM-27, line (07). However, if the estimated claim exceeds the previous fiscal year's actual costs by more than 10%, form PRE-1 must be completed and a statement attached explaining the increased costs. Without this information the estimated claim will automatically be reduced to 110% of the previous fiscal year's actual costs.
- (03) Leave blank.
- (04) Reimbursable Components. For each reimbursable component, enter the totals from form PRE-2, line (05), columns (d) through (h), to form PRE-1, block (04), columns (a) through (e), in the appropriate row. Total each row.
- (05) Total Direct Costs. Total columns (a) through (f).
- (06) Indirect Cost Rate. Community college districts may use the federally approved OMBA-21 rate, the rate computed using form FAM 29C, or a 7% indirect cost rate, for the fiscal year of costs.
- (07) Total Indirect Costs. Enter the result of multiplying the Indirect Cost Rate, line (06), by the Total Salaries and Benefits, line (05)(a).
- (08) Total Direct and Indirect Costs. Enter the sum of Total Direct Costs, line (05)(f), and Total Indirect Costs, line (07).
- (09) Less: Offsetting Savings. If applicable, enter the total savings experienced by the claimant as a direct result of this mandate. Submit a detailed schedule of savings with the claim.
- (10) Less: Other Reimbursements. If applicable, enter the amount of other reimbursements received from any source including, but not limited to, service fees collected, federal funds, and other state funds, which reimbursed any portion of the mandated cost program. Submit a schedule detailing the reimbursement sources and amounts.
- (11) Total Claimed Amount. From Total Direct and Indirect Costs, line (08), subtract the sum of Offsetting Savings, line (09), and Other Reimbursements, line (10). Enter the remainder on this line and carry the amount forward to form FAM-27, line (07) for the Estimated Claim or line (13) for the Reimbursement Claim.

<b>Program</b> <b>240</b>	<b>MANDATED COSTS</b> <b>PHOTOGRAPHIC RECORD OF EVIDENCE (COMMUNITY COLLEGES)</b> <b>COMPONENT/ACTIVITY COST DETAIL</b>	<b>FORM</b> <b>PRE-2</b>
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(01) Claimant	(02) Fiscal Year
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(03) Reimbursable Components: Check only **one** box per form to identify the component being claimed.

<input type="checkbox"/> Administrative Activities	<input type="checkbox"/> Photographic Record of Evidence
<input type="checkbox"/> Provision of Certified Written Chemical Analysis	<input type="checkbox"/> Storage of Exhibits

(04) Description of Expenses	<b>Object Accounts</b>
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(a) Employee Names, Job Classifications, Functions Performed, and Description of Expenses	(b) Hourly Rate or Unit Cost	(c) Hours Worked or Quantity	(d) Salaries and Benefits	(e) Materials and Supplies	(f) Contract Services	(g) Fixed Assets	(h) Travel and Training
(05) Total <input type="checkbox"/> Subtotal <input type="checkbox"/> Page: ____ of ____							

<b>Program</b> <b>240</b>	<b>PHOTOGRAPHIC RECORD OF EVIDENCE (COMMUNITY COLLEGES)</b> <b>COMPONENT/ACTIVITY COST DETAIL</b> <b>Instructions</b>	<b>FORM</b> <b>PRE-2</b>
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- (01) Claimant. Enter the name of the claimant. If more than one department has incurred costs for this mandate, give the name of each department. A separate form PRE-2 should be completed for each department.
- (02) Fiscal Year. Enter the fiscal year for which costs were incurred.
- (03) Reimbursable Components. Check the box which indicates the cost component being claimed. Check only one box per form. A separate form PRE-2 shall be prepared for each applicable component.
- (04) Description of Expenses. The following table identifies the type of information required to support reimbursable costs. To detail costs for the component activity box "checked" in block (03), enter the employee names, position titles, a brief description of the activities performed, actual time spent by each employee, productive hourly rates, fringe benefits, supplies used, contract services, travel and training expenses. **The descriptions required in column (4)(a) must be of sufficient detail to explain the cost of activities or items being claimed.** For audit purposes, all supporting documents must be retained by the claimant for a period of not less than three years after the date the claim was filed or last amended, whichever is later. If no funds were appropriated and no payment was made at the time the claims are filed, the time for the Controller to initiate an audit shall be three years from the date of initial payment of the claim. Such documents shall be made available to the State Controller's Office on request.

Object/ Sub object Accounts	Columns								Submit supporting documents with the claim
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	
<b>Salaries</b>	Employee Name	Hourly Rate	Hours Worked	Salaries = Hourly Rate x Hours Worked					
<b>Benefits</b>	Title Activities	Benefit Rate		Benefits = Benefit Rate x Salaries					
<b>Materials and Supplies</b>	Description of Supplies Used	Unit Cost	Quantity Used		Cost = Unit Cost x Quantity Used				
<b>Contract Services</b>	Name of Contractor Specific Tasks Performed	Hourly Rate	Hours Worked Inclusive Dates of Service			Cost = Hourly Rate x Hours Worked or Total Contract			Copy of Contract
<b>Fixed Assets</b>	Description of Equipment Purchased	Unit Cost	Usage				Cost = Unit Cost x Usage		
<b>Travel and Training</b>	Purpose of Trip Name and Title	Per Diem Rate	Days					Cost = Rate x Days or Miles	
<b>Travel</b>	Departure and Return Date	Mileage Rate Travel Cost	Miles Travel Mode					or Total Travel Cost	
<b>Training</b>	Employee Name/Title Name of Class		Dates Attended					Registration Fee	

- (05) Total line (04), columns (d) through (h) and enter the sum on this line. Check the appropriate box to indicate if the amount is a total or subtotal. If more than one form is needed to detail the component/activity costs, number each page. Enter totals from line (05), columns (d) through (h) to form PRE-1, block (05), columns (a) through (e) in the appropriate row.

OFFICE OF THE STATE CONTROLLER  
STATE MANDATED COSTS CLAIMING INSTRUCTIONS NO. 2002-09  
SEX OFFENDERS: DISCLOSURE BY LAW ENFORCEMENT OFFICERS  
(MEGAN'S LAW)  
(COMMUNITY COLLEGE DISTRICTS)

In accordance with Government Code (GC) Section 17561, eligible claimants may submit claims to the State Controller's Office (SCO) for reimbursement of costs incurred for state mandated cost programs. The following are claiming instructions and forms that eligible claimants will use for the filing of claims for the Sex Offenders: Disclosure by Law Enforcement Officers (SOD) program. These claiming instructions are issued subsequent to adoption of the program's parameters and guidelines (P's & G's) by the Commission on State Mandates (COSM).

Penal Code Sections (PC) Sections 290 and 290.4, as added by Chapter 908, Statutes of 1996, et seq require the registration of certain convicted sex offenders and public disclosure of their identity by local law enforcement agencies.

On August 23, 2001, the COSM determined that Chapter 908/96 et seq, established costs mandated by the State according to the provisions listed in the attached P's & G's. For your reference, the P's & G's are included as an integral part of the claiming instructions.

**Eligible Claimants**

Any community college district that incurs increased costs as a direct result of this mandate, is eligible to claim reimbursement of these costs.

**Filing Deadlines**

**A. Initial Claims**

Initial reimbursement claims must be filed within 120 days from the issuance date of claiming instructions. Reimbursement claims for fiscal years 1996-97 through 2001-02 must be filed with the SCO and be delivered or postmarked on or before **October 1, 2002**. Estimated claims for the 2002-03 fiscal year must also be delivered or postmarked on or before **October 1, 2002**. Thereafter, having received payment for an estimated claim, the claimant must file an annual reimbursement claim by January 15 of the following fiscal year. Claims filed after the deadline will be reduced by a late penalty of 10%, not to exceed \$1,000. The claiming periods for the reimbursable activities listed in **IV.**, beginning on page 2 of the P's and G's, are as follows:

**One-Time Activities**

- **IV. A. 1. - Training**

Claiming Period - Fiscal years 1996-97 to 2001-02

- **IV. A. 2. - Policies and Procedures**

Claiming Period - Fiscal years 1996-97 to 2001-02

- **IV. A. 3. - Notice to Sex Offenders**

Claiming Period - October 8, 1997, to June 30, 1998, and fiscal years 1998-99 to 2001-02.

**On-Going Activities**

- **IV. B. 1. - Transmission to Department of Justice (DOJ)**

Claiming Period - January 1, 1999, to June 30, 1999, and fiscal years 1999-00 to 2001-02.

- **IV. B. 2. - Removal from Local Files**

Claiming Period - October 8, 1997, to June 30, 1998, and fiscal years 1998-99 to 2001-02.

- **IV. B. 3. - Pre-Registration**

Claiming Period - October 8, 1997, to June 30, 1998, and fiscal years 1998-99 to 2001-02.

- **IV. B. 4. - Employer Verification**

Claiming Period - October 8, 1997, to June 30, 1998, and fiscal years 1998-99 to 2001-02.

- **IV. B. 5. - Vehicle Verification**

Claiming Period - October 8, 1997, to June 30, 1998, and fiscal years 1998-99 to 2001-02.

- **IV. B. 6. - Residential Verification**

Claiming Period - January 1, 1999, to June 30, 1999, and fiscal years 1999-00 to 2001-02.

- **IV. B. 7. - Re-Evaluation**

Claiming Period - September 25, 1996, to June 30, 1997, and fiscal years 1997-98 to 2001-02.

- **IV. B. 8. - Information Maintenance**

Claiming Period - September 25, 1996, to June 30, 1997, and fiscal years 1997-98 to 2001-02 .

- **IV. B. 9. - Access Provision**

Claiming Period - September 25, 1996, to June 30, 1997, and fiscal years 1997-98 to 2001-02. **This claiming period terminates on December 31, 2003, since PC § 290.4 is only operative until January 1, 2004.**

- **IV. B. 10. - Record Maintenance**

Claiming Period - October 8, 1997, to June 30, 1998, and fiscal years 1998-99 to 2001-02.

Costs for all initial reimbursement claims must be filed separately according to the fiscal year in which the costs were incurred. However, the initial claims will be considered as one claim for the purpose of computing the late claim penalty. Do not prorate the penalty among fiscal years. If the claims are late, the penalty should be applied to a single fiscal year.

In order for a claim to be considered properly filed, it must include any specific supporting documentation requested in the instructions. **Claims filed more than one year after the deadline will not be accepted.**

## **B. Estimated Claims**

Unless otherwise specified in the claiming instructions, school districts are not required to provide cost schedules and supporting documents with an estimated claim if the estimated amount does not exceed the previous fiscal year's actual costs by more than 10%. Claimants can simply enter the estimated amount on form FAM-27, line (07). However, if the estimated claim exceeds the previous fiscal year's actual costs by more than 10%, claimants must complete supplemental claim forms to support their estimated costs as specified for the program to explain the reason for the increased costs. If no explanation supporting the higher estimate is provided with the claim, it will automatically be adjusted to 110% of the previous fiscal year's actual costs. Future estimated claims filed with the SCO must be postmarked by January 15 of the fiscal year in which costs will be incurred. Claims filed timely will be paid before late claims.

## **Minimum Claim Cost**

GC Section 17564 provides that no claim shall be filed pursuant to GC Sections 17551 and 17561, unless such a claim exceeds two hundred dollars (\$200), provided that a county superintendent of schools or county may submit a combined claim on behalf of school districts, direct service districts, or special districts within their county if the combined claim exceeds \$200, even if the individual school district's, direct service district's, or special district's claims do not each exceed \$200. The county superintendent of schools or the county shall determine if the submission of the combined claim is economically feasible and shall be responsible for disbursing the funds to each school, direct service, or special district. These combined claims may be filed only when the county superintendent of schools or the county is the fiscal agent for the districts. A combined claim must show the individual claim costs for each eligible district. All subsequent claims based upon the same mandate shall only be filed in the combined form unless a school district, direct service district, or special district provides to the county superintendent of schools or county and to the SCO, at least 180 days prior to the deadline for filing the claim, a written notice of its intent to file a separate claim.

## **Reimbursement of Claims**

Initial reimbursement claims will only be reimbursed to the extent that expenditures can be supported. If such information is unavailable, claims will be reduced. In addition, ongoing reimbursement claims must be supported by documentation as evidence of the expenditures. Examples of documentation may include, but are not limited to, employee time records that

identify mandate activities, payroll records, invoices, receipts, contracts, travel expense vouchers, purchase orders, and caseload statistics.

### **Audit of Costs**

All claims submitted to the SCO are reviewed to determine if costs are related to the mandate, are reasonable and not excessive, and if the claim was prepared in accordance with the P's & G's adopted by the COSM. If any adjustments are made to a claim, a "Notice of Claim Adjustment" specifying the claim component adjusted, the amount adjusted, and the reason for the adjustment, will be mailed within 30 days after payment of the claim.

On-site audits will be conducted by the SCO as deemed necessary. Accordingly, all documentation to support actual costs claimed must be retained for a period of two years after the end of the calendar year in which the reimbursement claim was filed or amended regardless of the year of costs incurred. When no funds are appropriated for initial claims at the time the claim is filed, supporting documents must be retained for two years from the date of initial payment of the claim. Claim documentation shall be made available to the SCO on request.

### **Retention of Claiming Instructions**

The claiming instructions and forms in this package should be retained permanently in your Mandated Cost Manual for future reference and use in filing claims. These forms should be duplicated to meet your filing requirements. You will be notified of updated forms or changes to claiming instructions as necessary.

For your reference, these and future mandated costs claiming instructions and forms can be found on the Internet at [www.sco.ca.gov/ard/local/locreim/index.htm](http://www.sco.ca.gov/ard/local/locreim/index.htm).

### **Address for Filing Claims**

Submit a signed, original form FAM-27, Claim for Payment, and all other forms and supporting documents (no copies necessary) to:

If delivered by  
U.S. Postal Service:

Office of the State Controller  
Attn: Local Reimbursements Section  
Division of Accounting and Reporting  
P.O. Box 942850  
Sacramento, CA 94250

If delivered by  
other delivery services:

Office of the State Controller  
Attn: Local Reimbursements Section  
Division of Accounting and Reporting  
3301 C Street, Suite 500  
Sacramento, CA 95816

## **Parameters and Guidelines**

Penal Code Sections 290 and 290.4

Statutes of 1996, Chapters 908 and 909

Statutes of 1997, Chapters 17, 80, 817, 818, 819, 820, 821, and 822

Statutes of 1998, Chapters 485, 550, 927, 928, 929, and 930

*Sex Offenders: Disclosure by Law Enforcement Officers*  
*("Megan's Law")*

### **I. SUMMARY OF THE MANDATE**

The test claim legislation (Penal Code sections 290 and 290.4) concerns the registration of certain convicted sex offenders and public disclosure of their identity by local law enforcement agencies. Section 290 specifically relates to the registration of these sex offenders when they are released from incarceration, when they move or change their temporary or permanent residence, or when they update their registration on an annual basis. Section 290 also allows local law enforcement agencies to disclose the identities of sex offenders to the public when a peace officer reasonably suspects that it is necessary to protect the public. Section 290.4 requires the Department of Justice to continually compile and maintain information regarding the identity of convicted sex offenders and to establish a "900" telephone number and CD-ROM program for public access of this information. The Department of Justice must distribute the information obtained on convicted sex offenders by CD-ROM or other electronic medium to local law enforcement agencies who in turn "may" then provide public access to the information. However, municipal police departments of cities with a population of less than 200,000 are exempt from this requirement.

On August 23, 2001, the Commission on State Mandates (Commission) adopted its Statement of Decision partially approving the test claim. The Commission found that the following required activities are a "new program or higher level of service" under article XIII B, section 6 of the California Constitution and result in "costs mandated by the state" within the meaning of Government Code section 17514:

- Submission of Registered Sex Offender information to the Department of Justice's Violent Crime Information Network by Local Law Enforcement Agencies (Pen. Code, §290, subd. (a)(1)(F).)
- Removal of Registration for Decriminalized Conduct (Pen. Code, §290, subd. (a)(2)(F)(i).)
- Pre-register (Pen. Code, §290, subd. (e)(1)(A-C).)
- Contents of Registration Upon Release (Pen. Code, §290, subd. (e)(2)(A-E).)
- Notice of Reduction of Registration Period (Pen. Code, §290, subd. (l)(1).)
- High-Risk Sex Offenders (Pen. Code, §290, subd. (n).)
- CD ROM (Pen. Code, §290.4, subd. (4)(A-C).)



- Records Retention (Pen. Code, §290, subd. (o).)

Lastly, the Commission found that all other activities in the test claim legislation did not constitute a reimbursable state mandated program pursuant to article XIII B, section 6 of the California Constitution.

## **II. ELIGIBLE CLAIMANTS**

Any county, city, city and county, or community college district, that has incurred increased costs as a direct result of this mandate is eligible to claim reimbursement of these costs, except as limited in Section IV, activity 12.

## **III. PERIOD OF REIMBURSEMENT**

Government Code section 17551, prior to its amendment by Statutes of 1998, chapter 681, (effective September 22, 1998), stated that a test claim must be submitted on or before December 31 following a given fiscal year to establish eligibility for reimbursement for that fiscal year. The test claim for this mandate was filed on December 30, 1997. Therefore, costs incurred on or after July 1, 1996, for compliance with the mandate are reimbursable, unless otherwise specified below.<sup>1</sup>

Actual costs for one fiscal year shall be included in each claim. Estimated costs for the subsequent year may be included on the same claim, if applicable. Pursuant to Government Code section 17561, subdivision (d)(1), all claims for reimbursement of initial years' costs shall be submitted within 120 days of notification by the State Controller of the issuance of claiming instructions.

If total costs for a given fiscal year do not exceed \$200, no reimbursement shall be allowed, except as otherwise allowed by Government Code section 17564.

## **IV. REIMBURSABLE ACTIVITIES**

For each eligible claimant, the following activities are eligible for reimbursement:

### **A. One-Time Activities**

1. Train staff on implementing the reimbursable activities listed in Section IV, activities 2 through 13, of these parameters and guidelines. (One-time activity per employee.)
2. Develop internal policies, procedures, and manuals to implement *Sex Offenders: Disclosure by Law Enforcement Officers* ("Megan's Law").
3. Notify every registered sex offender convicted prior to January 1, 1997, within the claimant's jurisdiction of the reduction in the time to register or reregister from 14 days to 5 days. (Pen. Code, § 290, subd. (1)(1).)<sup>2</sup> (*Reimbursement period begins October 8, 1997.*)

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<sup>1</sup> The statutes have different operative dates, therefore the reimbursement period for some activities may begin on a different date.

<sup>2</sup> As amended by Statutes of 1997, chapter 821, an urgency statute effective October 8, 1997.

## B. On-Going Activities

1. Develop, collect, and transmit sex offender registrations from the local jurisdiction directly into the Department of Justice Violent Crime Information Network. (Pen. Code, § 290, subd. (a)(1)(F).)<sup>3</sup> (*Reimbursement period begins January 1, 1999.*)
2. Remove a sex offender's registration from the local jurisdiction's files within 30 days of receiving notice to do so from the Department of Justice. (Pen. Code, § 290, subd. (a)(2)(F)(i).)<sup>4</sup> (*Reimbursement period begins October 8, 1997.*)
3. If the local law enforcement agency is the current place of incarceration, pre-registration of a convicted sex offender, including the obtaining of a current photograph and fingerprints of the offender as well as a written statement relaying information as is required by the Department of Justice. Notify the sex offender as acknowledgement of the information contained within the pre-registration statement. (Pen. Code, § 290, subd. (e)(1)(A-C).)<sup>5</sup> (*Reimbursement period begins October 8, 1997.*)
4. Verify that the sex offender's signed statement contains the name and address of the offender's employer, and the address of the offender's place of employment if it is different from the employer's main address. (Pen. Code, § 290, subd. e)(2)(A).)<sup>6</sup> (*Reimbursement period begins October 8, 1997.*)
5. Verify that the offender's registration includes information related to any vehicle regularly driven by the offender, including license number, make, model, and such other information as may be requested by the Department of Justice. (Pen. Code, § 290, subd. (e)(2)(C).)<sup>7</sup> (*Reimbursement period begins October 8, 1997.*)
6. Verify that the convicted sex offender has adequate proof of residence, as determined by the Department of Justice; proof of residence is currently limited to a California driver's license, California identification card, recent rent or utility receipt, printed personalized checks or other recent banking documents, or any other information that the registering official believes is reliable. If the offender does not have a residence, and no reasonable expectation of obtaining a residence in the foreseeable future, then the local law enforcement agency shall obtain a statement to that effect from the sex offender. (Pen. Code, § 290, subd. (e)(2)(E).)<sup>8</sup> (*Reimbursement period begins January 1, 1999.*)
7. Provide high-risk sex offenders a printed form from the Department of Justice regarding reevaluation in order to be removed from the high-risk classification. (Pen. Code, § 290, subd. (n)(1)(G)(ii).)<sup>9</sup> (*Reimbursement period begins September 25, 1996.*)

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<sup>3</sup> As added by Statutes of 1998, chapter 929.

<sup>4</sup> As added by Statutes of 1997, chapter 821.

<sup>5</sup> As added by Statutes of 1997, chapter 821.

<sup>6</sup> As added and amended by Statutes of 1997, chapter 821.

<sup>7</sup> As added and amended by Statutes of 1997, chapter 821.

<sup>8</sup> As added by Statutes of 1998, chapters 928 and 929.

<sup>9</sup> As added by Statutes of 1996, chapter 908, an urgency statute effective September 25, 1996.

8. (Maintain such photographs and statistical information concerning high-risk sex offenders as is received quarterly from the Department of Justice. (Pen. Code, § 290, subd. (n)(2).)<sup>10</sup> (*Reimbursement period begins September 25, 1996.*)
9. For sheriff's departments in each county, municipal police departments of cities with a population of more than 200,000, and police departments or community college districts, to provide the necessary equipment, and staff assistance for the public to access the sex offender information provided by the Department of Justice on CD-ROM or other electronic medium, and to obtain information from individuals requesting access to the CD-ROM as required by the Department of Justice. (Pen. Code, § 290.4, subd. (a)(4)(A).)<sup>11</sup> (*Reimbursement period: September 25, 1996 through December 31, 2003.*)
10. Maintain records of those persons requesting access to the information contained within the CD-ROM or other electronic medium for a minimum of five years, and costs of destruction of such records at the end of such time. Additionally, a record of the means and dates of dissemination of information regarding high-risk offenders must be maintained for a minimum of five years, and costs of destruction at the end of such time. (Pen. Code, § 290, subd. (o).)<sup>12</sup> (*Reimbursement period begins October 8, 1997.*)

## **V. CLAIM PREPARATION AND SUBMISSION**

Each reimbursement claim for this mandate must be timely filed. Each of the following cost elements must be identified for each reimbursable activity identified in Section IV of this document.

### **A. Direct Cost Reporting**

Direct costs are those costs incurred specifically for the reimbursable activities. Direct costs that are eligible for reimbursement are:

#### **1. Salaries and Benefits**

Report each employee implementing the reimbursable activities by name, job classification, and productive hourly rate (total wages and related benefits divided by productive hours). Describe the specific reimbursable activities performed and the hours devoted to each reimbursable activity performed.

#### **2. Materials and Supplies**

Report the cost of materials and supplies that have been consumed or expended for the purpose of the reimbursable activities. Purchases shall be claimed at the actual price after deducting discounts, rebates, and allowances received by the claimant. Supplies that are withdrawn from inventory shall be charged on an appropriate and recognized method of costing, consistently applied.

#### **3. Contracted Services**

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<sup>10</sup> As added by Statutes of 1996, chapter 908.

<sup>11</sup> As added by Statutes of 1996, chapter 908. Penal Code section 290.4 contains a sunset provision wherein it is only operative until January 1, 2004.

<sup>12</sup> As amended by Statutes of 1997, chapter 821.

Report the name of the contractor and services performed to implement the reimbursable activities. If the contractor bills for time and materials, report the number of hours spent on the activities and all costs charged. If the contract is a fixed price, report the services that were performed during the period covered by the reimbursement claim. If the contract services are also used for purposes other than the reimbursable activities, only the pro-rata portion of the services used to implement the reimbursable activities can be claimed. Submit contract consultant and attorney invoices with the claim and a description of the contract scope of services.

#### 4. Fixed Assets and Equipment

Report the purchase price paid for fixed assets and equipment (including computers) necessary to implement the reimbursable activities. The purchase price includes taxes, delivery costs, and installation costs. If the fixed asset or equipment is also used for purposes other than the reimbursable activities, only the pro-rata portion of the purchase price used to implement the reimbursable activities can be claimed.

#### 5. Travel

Report the name of the employee traveling for the purpose of the reimbursable activities. Include the date of travel, destination point, the specific reimbursable activity requiring travel, and related travel expenses reimbursed to the employee in compliance with the rules of the local jurisdiction. Report employee travel time according to the rules of cost element A.1, Salaries and Benefits, for each applicable reimbursable activity.

#### 6. Training

Report the cost of training an employee to perform the reimbursable activities, as specified in Section IV of this document. Report the name and job classification of each employee preparing for, attending, and/or conducting training necessary to implement the reimbursable activities. Provide the title, subject, and purpose (related to the mandate of the training session), dates attended, and location. If the training encompasses subjects broader than the reimbursable activities, only the pro-rata portion can be claimed. Report employee training time for each applicable reimbursable activity according to the rules of cost element A.1, Salaries and Benefits, and A.2, Materials and Supplies. Report the cost of consultants who conduct the training according to the rules of cost element A.3, Contracted Services. This data, if too voluminous to be included with the claim, may be reported in a summary. However, supporting data must be maintained as described in Section VI.

### B. Indirect Cost Rates

Indirect costs are costs that are incurred for a common or joint purpose, benefiting more than one program, and are not directly assignable to a particular department or program without efforts disproportionate to the result achieved. Indirect costs may include both (1) overhead costs of the unit performing the mandate; and (2) the costs of the central government services distributed to the other departments based on a systematic and rational basis through a cost allocation plan.

#### Cities and Counties

Compensation for indirect costs is eligible for reimbursement utilizing the procedure provided in the Office of Management and Budget (OMB) Circular A-87. Claimants have the option of

using 10% of direct labor, excluding fringe benefits, or preparing an Indirect Cost Rate Proposal (ICRP) if the indirect cost rate claimed exceeds 10%.

If the claimant chooses to prepare an ICRP, both the direct costs (as defined and described in OMB Circular A-87 Attachments A and B) and the indirect costs shall exclude capital expenditures and unallowable costs (as defined and described in OMB A-87 Attachments A and B). However, unallowable costs must be included in the direct costs if they represent activities to which indirect costs are properly allocable.

The distribution base may be (1) total direct costs (excluding capital expenditures and other distorting items, such as pass-through funds, major subcontracts, etc.), (2) direct salaries and wages, or (3) another base which results in an equitable distribution.

In calculating an ICRP, the Claimant shall have the choice of one of the following methodologies:

1. The allocation of allowable indirect costs (as defined and described in OMB Circular A-87 Attachments A and B) shall be accomplished by (1) classifying a department's total costs for the base period as either direct or indirect, and (2) dividing the total allowable indirect costs (net of applicable credits) by an equitable distribution base. The result of this process is an indirect cost rate which is used to distribute indirect costs to mandates. The rate should be expressed as a percentage which the total amount allowable indirect costs bears to the base selected; or
2. The allocation of allowable indirect costs (as defined and described in OMB Circular A-87 Attachments A and B) shall be accomplished by (1) separating a department into groups, such as divisions or sections, and then classifying the division's or section's total costs for the base period as either direct or indirect, and (2) dividing the total allowable indirect costs (net of applicable credits) by an equitable distribution base. The result of this process is an indirect cost rate that is used to distribute indirect costs to mandates. The rate should be expressed as a percentage which the total amount allowable indirect costs bears to the base selected.

### Community Colleges

Community colleges have the option of using: (1) a federally approved rate, utilizing the cost accounting principles from the OMB Circular A-21, "Cost Principles of Educational Institutions"; (2) the rate calculated on State Controller's Form FAM-29C; or (3) a 7% indirect cost rate.

## **VI. SUPPORTING DATA**

### **A. Source Documents**

For auditing purposes, all incurred costs claimed must be traceable to source documents that show evidence of their validity and relationship to the reimbursable activities. Documents may include, but are not limited to, worksheets, employee time records or time logs, cost allocation reports (system generated), invoices, receipts, purchase orders, contracts, agendas, training packets with signatures and logs of attendees, calendars, declarations, and data relevant to the reimbursable activities otherwise reported in compliance with local, state, and federal government requirements.

### **B. Record Keeping**

Pursuant to Government Code section 17558.5, subdivision (a), a reimbursement claim for actual costs filed by a local agency or school district pursuant to this chapter is subject to audit by the State Controller no later than two years after the end of the calendar year in which the reimbursement claim is filed or last amended.\* See the State Controller's claiming instructions regarding retention of required documentation during the audit period.

## **VII. OFFSETTING SAVINGS AND REIMBURSEMENTS**

Any offsetting savings the claimant experiences in the same program as a result of the same statutes or executive orders found to contain the mandate shall be deducted from the costs claimed. In addition, reimbursement for this mandate received from any source, including but not limited to, service fees collected, federal funds and other state funds shall be identified and deducted from this claim.

## **VIII. STATE CONTROLLER'S OFFICE REQUIRED CERTIFICATION**

An authorized representative of the claimant shall be required to provide a certification of the claim, as specified in the State Controller's claiming instructions, for those costs mandated by the State contained herein.

## **IX. PARAMETERS AND GUIDELINES AMENDMENTS**

Parameters and guidelines may be amended pursuant to Title 2, California Code of Regulations section 1183.2.

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\* This refers to Title 2, division 4, part 7, chapter 4 of the Government Code.

CLAIM FOR PAYMENT Pursuant to Government Code Section 17561 SEX OFFENDERS: DISCLOSURE BY LAW ENFORCEMENT OFFICERS (MEGAN'S LAW) - (COMMUNITY COLLEGE DISTRICTS)			For State Controller Use Only	Program  <b>241</b>
(01) Claimant Identification Number			(19) Program Number 00241 (20) Date Filed ____/____/____ (21) LRS Input ____/____/____	
(02) Claimant Name				
County of Location				
Street Address or P.O. Box Suite				
City State Zip Code				
<div style="display: flex; justify-content: space-between;"> <div style="width: 30%;"> <b>Type of Claim</b>             (03) Estimated <input type="checkbox"/>            (04) Combined <input type="checkbox"/>            (05) Amended <input type="checkbox"/> </div> <div style="width: 30%;"> <b>Estimated Claim</b>             (09) Reimbursement <input type="checkbox"/>            (10) Combined <input type="checkbox"/>            (11) Amended <input type="checkbox"/> </div> <div style="width: 30%;"> <b>Reimbursement Claim</b>             (26) SOD-1, (04)(B)(2)(f)            (27) SOD-1, (04)(B)(3)(f)            (28) SOD-1, (04)(B)(4)(f)            (29) SOD-1, (04)(B)(5)(f)         </div> </div>			<b>Reimbursement Claim Data</b>	
			(22) SOD-1, (04)(A)(1)(f)	
			(23) SOD-1, (04)(A)(2)(f)	
			(24) SOD-1, (04)(A)(3)(f)	
			(25) SOD-1, (04)(B)(1)(f)	
Fiscal Year of Cost	(06) <b>20</b> ____/20 ____	(12) <b>20</b> ____/20 ____	(30) SOD-1, (04)(B)(6)(f)	
Total Claimed Amount	(07)	(13)	(31) SOD-1, (04)(B)(7)(f)	
Less: 10% Late Penalty, not to exceed \$1,000		(14)	(32) SOD-1, (04)(B)(8)(f)	
Less: Prior Claim Payment Received		(15)	(33) SOD-1, (04)(B)(9)(f)	
Net Claimed Amount		(16)	(34) SOD-1, (04)(B)(10)(f)	
Due from State	(08)	(17)	(35) SOD-1, (06)	
Due to State		(18)	(36)	
<b>(37) CERTIFICATION OF CLAIM</b> <p>In accordance with the provisions of Government Code Section 17561, I certify that I am the officer authorized by the community college district to file mandated cost claims with the State of California for this program, and certify under penalty of perjury that I have not violated any of the provisions of Government Code Sections 1090 to 1098, inclusive.</p> <p>I further certify that there was no application other than from the claimant, nor any grant or payment received, for reimbursement of costs claimed herein, and such costs are for a new program or increased level of services of an existing program. All offsetting savings and reimbursements set forth in the Parameters and Guidelines are identified, and all costs claimed are supported by source documentation currently maintained by the claimant.</p> <p>The amounts for this Estimated Claim and/or Reimbursement Claim are hereby claimed from the State for payment of estimated and/or actual costs set forth on the attached statements. I certify under penalty of perjury under the laws of the the State of California that the foregoing is true and correct.</p> <div style="display: flex; justify-content: space-between; margin-top: 20px;"> <div style="width: 60%;">           Signature of Authorized Officer             _____            _____            Type or Print Name         </div> <div style="width: 35%;">           Date             _____            _____            Title         </div> </div> <div style="margin-top: 10px;">           (38) Name of Contact Person for Claim _____ Telephone Number (    )    -    Ext.    _____            E-Mail Address _____         </div>				

<b>Program</b> <b>241</b>	<b>SEX OFFENDERS: DISCLOSURE BY LAW ENFORCEMENT OFFICERS</b> <b>(MEGAN'S LAW)</b> <b>(COMMUNITY COLLEGE DISTRICTS)</b> <b>Certification Claim Form</b> <b>Instructions</b>	<b>FORM</b> <b>FAM-27</b>
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- (01) Enter the payee number assigned by the State Controller's Office.
- (02) Enter your Official Name, County of Location, Street or P. O. Box address, City, State, and Zip Code.
- (03) If filing an estimated claim, enter an "X" in the box on line (03) Estimated.
- (04) Leave blank.
- (05) If filing an amended claim, enter an "X" in the box on line (05) Amended.
- (06) Enter the fiscal year in which costs are to be incurred.
- (07) Enter the amount of the estimated claim. If the estimate exceeds the previous year's actual costs by more than 10%, complete form SOD-1 and enter the amount from line (11).
- (08) Enter the same amount as shown on line (07).
- (09) If filing a reimbursement claim, enter an "X" in the box on line (09) Reimbursement.
- (10) Leave blank.
- (11) If filing an amended claim, enter an "X" in the box on line (11) Amended.
- (12) Enter the fiscal year for which actual costs are being claimed. If actual costs for more than one fiscal year are being claimed, complete a separate form FAM-27 for each fiscal year.
- (13) Enter the amount of the reimbursement claim from form SOD-1, line (11). The total claimed amount must exceed \$1,000.
- (14) Reimbursement claims must be filed by January 15 of the following fiscal year in which costs were incurred or the claims shall be reduced by a late penalty. Enter zero if the claim was timely filed, otherwise, enter the product of multiplying line (13) by the factor 0.10 (10% penalty), or \$1,000, whichever is less.
- (15) If filing a reimbursement claim and an estimated claim was previously filed for the same fiscal year, enter the amount received for the claim. Otherwise, enter a zero.
- (16) Enter the result of subtracting line (14) and line (15) from line (13).
- (17) If line (16), Net Claimed Amount, is positive, enter that amount on line (17), Due from State.
- (18) If line (16), Net Claimed Amount, is negative, enter that amount on line (18), Due to State.
- (19) to (21) Leave blank.
- (22) to (36) Reimbursement Claim Data. Bring forward the cost information as specified on the left-hand column of lines (22) through (36) for the reimbursement claim, e.g., SOD-1, (04)(A)(1)(g), means the information is located on form SOD-1, line (04)(A)(1), column (g). Enter the information on the same line but in the right-hand column. Cost information should be rounded to the nearest dollar, i.e., no cents. Indirect costs percentage should be shown as a whole number and without the percent symbol, i.e., 7.548% should be shown as 8. **Completion of this data block will expedite the payment process.**
- (37) Read the statement "Certification of Claim." If it is true, the claim must be dated, signed by the agency's authorized officer, and must include the person's name and title, typed or printed. **Claims cannot be paid unless accompanied by an original signed certification. (To expedite the payment process, please sign the form FAM-27 with blue ink, and attach a copy of the form FAM-27 to the top of the claim package.)**
- (38) Enter the name, telephone number, and e-mail address of the person to contact if additional information is required.

**SUBMIT A SIGNED ORIGINAL, AND A COPY OF FORM FAM-27, WITH ALL OTHER FORMS AND SUPPORTING DOCUMENTS TO:**

***Address, if delivered by U.S. Postal Service:***

**OFFICE OF THE STATE CONTROLLER  
 ATTN: Local Reimbursements Section  
 Division of Accounting and Reporting  
 P.O. Box 942850  
 Sacramento, CA 94250**

***Address, if delivered by other delivery service:***

**OFFICE OF THE STATE CONTROLLER  
 ATTN: Local Reimbursements Section  
 Division of Accounting and Reporting  
 3301 C Street, Suite 500  
 Sacramento, CA 95816**



<b>Program</b> <b>241</b>	<b>MANDATED COSTS</b> <b>SEX OFFENDERS: DISCLOSURE BY LAW ENFORCEMENT OFFICERS</b> <b>(MEGAN'S LAW) - (COMMUNITY COLLEGE DISTRICTS)</b> <b>CLAIM SUMMARY</b>					<b>FORM</b> <b>SOD-1</b>	
(01) Claimant			(02) Type of Claim		Fiscal Year		
			Reimbursement <input type="checkbox"/> Estimated <input type="checkbox"/>		20__/20__		
<b>Claim Statistics</b>							
(03) Leave blank.							
<b>Direct Costs</b>		<b>Object Accounts</b>					
(04) Reimbursable Components		(a) Salaries and Benefits	(b) Materials and Supplies	(c) Contract Services	(d) Fixed Assets	(e) Travel and Training	(f) Total
<b>A. One-Time Costs</b>							
1. Training							
2. Policies and Procedures							
3. Notice to Sex Offenders							
<b>B. Ongoing Costs</b>							
1. Transmission to DOJ							
2. Removal from Local Files							
3. Pre-Registration							
4. Employer Verification							
5. Vehicle Verification							
6. Residential Verification							
7. Re-Evaluation							
8. Information Maintenance							
9. Access Provision							
10. Record Maintenance							
(05) Total Direct Costs							
<b>Indirect Costs</b>							
(06) Indirect Cost Rate				[Federally approved OMB A-21, FAM-29C, or 7%]		%	
(07) Total Indirect Costs				[Line (06) x line (05)(a)]			
(08) Total Direct and Indirect Costs				[Line (05)(f) + line (07)]			
<b>Cost Reduction</b>							
(09) Less: Offsetting Savings							
(10) Less: Other Reimbursements							
(11) Total Claimed Amount				[Line (08) - {line (09) + line (10)}]			

<b>Program</b> <b>241</b>	<b>SEX OFFENDERS: DISCLOSURE BY LAW ENFORCEMENT OFFICERS</b> <b>(MEGAN'S LAW) - (COMMUNITY COLLEGE DISTRICTS)</b> <b>CLAIM SUMMARY</b> <b>Instructions</b>	<b>FORM</b> <b>SOD-1</b>
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- (01) Enter the name of the claimant.
- (02) Type of Claim. Check a box, Reimbursement or Estimated, to identify the type of claim being filed. Enter the fiscal year of costs.
- Form SOD-1 must be filed for a reimbursement claim. Do not complete form SOD-1 if you are filing an estimated claim and the estimate does not exceed the previous fiscal year's actual costs by more than 10%. Simply enter the amount of the estimated claim on form FAM-27, line (07). However, if the estimated claim exceeds the previous fiscal year's actual costs by more than 10%, form SOD-1 must be completed and a statement attached explaining the increased costs. Without this information the high estimated claim will automatically be reduced to 110% of the previous fiscal year's actual costs.
- (03) Leave blank.
- (04) Reimbursable Components. For each reimbursable component, enter the total from form SOD-2, line (05), columns (d) through (h) to form SOD-1, block (05), columns (a) through (e) in the appropriate row. Total each row.
- (05) Total Direct Costs. Total columns (a) through (f).
- (06) Indirect Cost Rate. Community college districts may use the federally approved OMBA-21 rate, the rate computed using form FAM 29C, or a 7% indirect cost rate, for the fiscal year of costs.
- (07) Total Indirect Costs. Enter the result of multiplying the Indirect Cost Rate, line (06), by the Total Salaries and Benefits, line (05)(a).
- (08) Total Direct and Indirect Costs. Enter the sum of Total Direct Costs, line (05)(f), and Total Indirect Costs, line (07).
- (09) Less: Offsetting Savings. If applicable, enter the total savings experienced by the claimant as a direct result of this mandate. Submit a detailed schedule of savings with the claim.
- (10) Less: Other Reimbursements. If applicable, enter the amount of other reimbursements received from any source including, but not limited to, service fees collected, federal funds, and other state funds, that reimbursed any portion of the mandated cost program. Submit a schedule detailing the reimbursement sources and amounts.
- (11) Total Claimed Amount. From Total Direct and Indirect Costs, line (08), subtract the sum of Offsetting Savings, line (09), and Other Reimbursements, line (10). Enter the remainder on this line and carry the amount forward to form FAM-27, line (07) for the Estimated Claim or line (13) for the Reimbursement Claim.

<b>Program 241</b>	<b>SEX OFFENDERS: DISCLOSURE BY LAW ENFORCEMENT OFFICERS (MEGAN'S LAW) - (COMMUNITY COLLEGE DISTRICTS) COMPONENT/ACTIVITY COST DETAIL</b>						<b>FORM SOD-2</b>
(01) Claimant				(02) Fiscal Year			
(03) Reimbursable Components: Check only <b>one</b> box per form to identify the component being claimed.							
<b>One-Time</b> <input type="checkbox"/> Training <input type="checkbox"/> Policies and Procedures <input type="checkbox"/> Notice to Sex Offenders							
<b>Ongoing</b> <input type="checkbox"/> Transmission to DOJ <input type="checkbox"/> Removal from Local Files <input type="checkbox"/> Pre-Registration <input type="checkbox"/> Employer Verification <input type="checkbox"/> Vehicle Verification <input type="checkbox"/> Residential Verification <input type="checkbox"/> Re-Evaluation <input type="checkbox"/> Information Maintenance <input type="checkbox"/> Access Provision <input type="checkbox"/> Record Maintenance							
(04) Description of Expenses				<b>Object Accounts</b>			
(a) Employee Names, Job Classifications, Functions Performed and Description of Expenses	(b) Hourly Rate or Unit Cost	(c) Hours Worked or Quantity	(d) Salaries and Benefits	(e) Materials and Supplies	(f) Contract Services	(g) Fixed Assets	(h) Travel and Training
(05) Total <input type="checkbox"/> Subtotal <input type="checkbox"/> Page: ____ of ____							

<b>Program</b> <b>241</b>	<b>SEX OFFENDERS: DISCLOSURE BY LAW ENFORCEMENT OFFICERS</b> <b>(MEGAN'S LAW) - (COMMUNITY COLLEGE DISTRICTS)</b> <b>COMPONENT/ACTIVITY COST DETAIL</b> <b>Instructions</b>	<b>FORM</b> <b>SOD-2</b>

- (01) Claimant. Enter the name of the claimant.
- (02) Fiscal Year. Enter the fiscal year for which costs were incurred.
- (03) Reimbursable Components. Check the box which indicates the cost component being claimed. Check only one box per form. A separate form SOD-2 shall be prepared for each applicable component.
- (04) Description of Expenses. The following table identifies the type of information required to support reimbursable costs. To detail costs for the component activity box "checked" in block (03), enter the employee names, position titles, a brief description of the activities performed, actual time spent by each employee, productive hourly rates, fringe benefits, supplies used, contract services, travel and training expenses. **The descriptions required in column (4)(a) must be of sufficient detail to explain the cost of activities or items being claimed.** For audit purposes, all supporting documents must be retained by the claimant for a period of not less than three years after the date the claim was filed or last amended, whichever is later. If no funds were appropriated and no payment was made at the time the claims are filed, the time for the Controller to initiate an audit shall be three years from the date of initial payment of the claim. Such documents shall be made available to the State Controller's Office on request.

Object/ Sub object Accounts	Columns								Submit supporting documents with the claim
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	
<b>Salaries</b>	Employee Name/Title	Hourly Rate	Hours Worked	Salaries = Hourly Rate x Hours Worked					
<b>Benefits</b>	Activities Performed	Benefit Rate		Benefits = Benefit Rate x Salaries					
<b>Materials and Supplies</b>	Description of Supplies Used	Unit Cost	Quantity Used		Cost = Unit Cost x Quantity Used				
<b>Contract Services</b>	Name of Contractor Specific Tasks Performed	Hourly Rate	Hours Worked Inclusive Dates of Service			Cost = Hourly Rate x Hours Worked			Copy of Contract and Invoices
<b>Fixed Assets</b>	Description of Equipment Purchased	Unit Cost	Usage				Cost = Unit Cost x Quantity Used		
<b>Travel and Training</b>	Purpose of Trip Name and Title	Per Diem Rate	Days Miles					Cost = Rate x Days or Miles	
	Departure and Return Date	Mileage Rate Travel Cost	Travel Mode					or Total Travel Cost	
	Employee Name/Title Name of Class		Dates Attended					Registration Fee	

- (05) Total line (04), columns (d) through (h) and enter the sum on this line. Check the appropriate box to indicate if the amount is a total or subtotal. If more than one form is needed to detail the component/activity costs, number each page. Enter totals from line (05), columns (d) through (h) to form SOD-1, block (05), columns (a) through (e) in the appropriate row.

# THREATS AGAINST PEACE OFFICERS

## 1. Summary of the Mandate

Chapter 1249, Statutes of 1992, added Penal Code section 832.9. This statute requires school districts employing peace officers to reimburse the officer or any member of his or her immediate family for actual and necessary moving and relocation expenses incurred when it is necessary to move because the officer has received a threat that a life threatening action may be taken against the officer or his or her immediate family as a result of the peace officer's employment.

Chapter 666, Statutes of 1995, amended Penal Code section 832.9, by specifying guidelines for reimbursement.

On April 24, 1997, the Commission determined that the requirements of Penal Code section 832.9, as added by Chapter 1249, Statutes of 1992 and amended by Chapter 666, Statutes of 1995, imposed upon school districts, a new program or higher level of service, within the meaning of section 6, article XIII B of the California Constitution and section 17514 of the Government Code.

## 2. Eligible Claimants

Any community college district, employing peace officers pursuant to Penal Code section 830, and incurring increased costs as a direct result of this mandate is eligible to claim reimbursement of these costs.

## 3. Appropriations

These claiming instructions are issued following the adoption of the program's parameters and guidelines by the Commission on State Mandates. Funding for payment of initial claims covering fiscal years 1995-96, 1996-97, and 1997-98 may be made available in a future appropriation act subject to the approval of the Legislature and the Governor.

To determine if this program is funded in subsequent fiscal years, refer to the schedule, "Appropriation for State Mandated Cost Programs," in the *Annual Claiming Instructions for State Mandated Costs* issued in September of each year to county superintendents of schools and superintendents of schools.

## 4. Types of Claims

### A. Reimbursement and Estimated Claims

A claimant may file a reimbursement and/or an estimated claim. A reimbursement claim details the costs actually incurred for a prior fiscal year. An estimated claim shows the costs to be incurred for the current fiscal year.

### B. Minimum Claim

Government Code section 17564(a) provides that no claim shall be filed pursuant to Government Code section 17561 unless such a claim exceeds \$200 per program per fiscal year. However, any county superintendent of schools, as fiscal agent for the school district, may submit a combined claim in excess of \$200 on behalf of one or more districts within the county even if the individual district's claim does not exceed \$200. A combined claim must show the individual costs for each district. Once a combined claim is filed, all subsequent years relating to the same mandate must be filed in a combined form. The county receives the reimbursement payment and is responsible for disbursing funds to each participating district. A district may withdraw from the combined claim form by providing a written notice of its intent to file a

separate claim, to the county superintendent of schools and the State Controller's Office at least 180 days prior to the deadline for filing the claim.

## **5. Filing Deadline**

### **A. Initial Claims**

Pursuant to Government Code section 17561, subdivision (d)(3), initial claims must be filed within 120 days from the issuance of claiming instructions. Accordingly:

Reimbursement claims detailing the actual costs incurred for the 1995-96, and 1996-97 fiscal years must be filed with the State Controller's Office and postmarked by September 1, 1998. If the reimbursement claim is filed after the deadline of September 1, 1998, the approved claim must be reduced by a late penalty of 10%, not to exceed \$1,000. Claims filed more than one year after the deadline will not be accepted.

Estimated claims for costs to be incurred during the 1997-98 fiscal year must be filed with the State Controller's Office and postmarked by September 1, 1998. Timely filed estimated claims are paid before late claims. If a payment is received for the estimated claim, a 1997-98 reimbursement claim must be filed by November 30, 1998.

### **B. Annually Thereafter**

Refer to the item, "Reimbursable State Mandated Cost Programs", contained in the annual cover letter for mandated cost programs issued annually in September, which identifies the fiscal years for which claims may be filed. If an "x" is shown for the program listed under "19\_\_-19\_\_ Reimbursement Claim", and/or "19\_\_-19\_\_ Estimated Claim", claims may be filed as follows:

An estimated claim filed with the State Controller's Office must be postmarked by November 30 of the fiscal year in which costs are to be incurred. Timely filed estimated claims will be paid before late claims.

After having received payment for an estimated claim, the claimant must file a reimbursement claim by November 30 of the following fiscal year. If the district fails to file a reimbursement claim, monies received for the estimated claim must be returned to the State. If no estimated claim was filed, the agency may file a reimbursement claim detailing the actual costs incurred for the fiscal year, provided there was an appropriation for the program for that fiscal year. For information regarding appropriations for reimbursement claims, refer to the schedule, "Appropriation for State Mandated Cost Programs," in the previous fiscal year's annual claiming instructions.

A reimbursement claim detailing the actual costs must be filed with the State Controller's Office and postmarked by November 30 following the fiscal year in which costs were incurred. If the claim is filed after the deadline but by November 30 of the succeeding fiscal year, the approved claim must be reduced by a late penalty of 10%, not to exceed \$1,000. Claims filed more than one year after the deadline will not be accepted.

## **6. Reimbursable Components**

For each eligible claimant, the direct and indirect cost of labor, supplies, and services incurred for the following mandated components are reimbursable:

### **A. Moving and Relocation Expenses from July 1, 1995 through December 31, 1995**

#### **(1) Review and Approval of Claims**

Review and approve claims for actual and necessary moving and relocation expenses incurred when it is necessary to move because the officer has received a threat that a life threatening action may be taken against the officer, or his, or her immediate family as a result of the peace officer's employment. Costs incurred before and after the change of residence, including the cost of moving household effects either by commercial household goods carrier or by the employee, are reimbursable.

#### **(2) Payment of Expenses**

Payment of the approved reimbursement to the peace officer or member of the immediate

family residing with the officer for actual and necessary moving and relocation expenses.

**B. Moving and Relocation Expenses from January 1, 1996 to Present****(1) Notification of a Threat**

Receipt of notification of a credible threat. (Penal Code section 832.9, subdivisions (b)(5) and (c)).

**(2) Approval of Relocation Plans**

Approval of relocation plans and if necessary, verification of residency of any immediate family member. (Penal Code section 832.9, subdivisions (a), (b)(3), and (d)).

**(3) Review and Approval of Claims**

Review and approval of claims for actual and necessary moving and relocation expenses incurred when it is necessary to move because the officer has received a threat that a life threatening action may be taken against the officer, or his, or her immediate family as a result of the peace officer's employment. Costs incurred before and after the change of residence, including the cost of moving household effects either by commercial household goods carrier or by the employee. Approval of "actual and necessary relocation costs" is subject to the limitations set forth in Penal Code section 832.9, as amended by Chapter 666, Statutes of 1995.

**(4) Payment of Expenses**

Payment of the approved reimbursement to the peace officer or member of the immediate family for actual and necessary moving and relocation expenses.

**7. Reimbursement Limitations**

A. Litigation expenses "allowable as costs" and "not allowable as costs" pursuant to section 1033.5 of the Code of Civil Procedure, are not reimbursable if incurred by claimants and/or local law enforcement agencies responding to and/or defending claims or actions brought under Penal Code section 832.9.

B. After January 1, 1996, the following costs are not reimbursable:

**(1) Moving Costs**

Moving Costs that are not included in the Department of Personnel Administration rules governing promotional relocations, (Penal Code section 832.9, subdivision (b)(1). Refer to DPA Article 7, beginning on page 7.)

**(2) Loss/Decrease in Value**

Loss or decrease in value of a peace officer's residence due to a forced sale, (Penal Code section 832.9, subdivision (b)(2).)

**(3) Unapproved Expenses**

Costs incurred by a peace officer or the immediate family without prior approval of the appointing authority, (Penal Code section 832.9, subdivision (b)(3).)

**(4) Unauthorized Payment of Salaries**

Unauthorized payment of the peace officer's salary while moving, (Penal Code section 832.9, subdivision (b)(4).)

**(5) Temporary Housing**

Temporary relocation housing which exceeds 60 days, (Penal Code section 832.9, subdivision (b)(6).)

**(6) Relocation Costs**

Relocation costs incurred 120 days after the original notification of a viable threat if the peace officer has failed to relocate, (Penal Code section 832.9, subdivision (b)(7).)

Any offsetting savings or reimbursement the claimant received from any source including but not limited to, service fees collected, federal funds, and other state funds as a direct result of this mandate, shall be identified and deducted so only net local costs are claimed.

## 8. Claiming Forms and Instructions

The diagram "Illustration of Claim Forms" provides a graphical presentation of forms required to be filed with a claim. A claimant may submit a computer generated report in substitution for forms TAP-1 and TAP-2 provided the format of the report and data fields contained within the report are identical to the claim forms included in these instructions. The claim forms provided with these instructions should be duplicated and used by the claimant to file estimated or reimbursement claims. The State Controller's Office will revise the manual and claim forms as necessary. In such instances, new replacement forms will be mailed to claimants.

### A. Form TAP-2, Component/Activity Cost Detail

This form is used to segregate the detailed costs by claim component. A separate form TAP-2 must be completed for each cost component being claimed. Costs reported on this form must be supported as follows:

#### (1) Salaries and Benefits

Identify the employee(s), and/or show the classification of the employee(s) involved. Describe the mandated functions performed by each employee, and specify the actual time spent, the productive hourly rates, and related fringe benefits.

Source documents to be maintained by the claimant may include, but are not limited to, employee time records that show the employee's actual time spent on this mandate.

#### (2) Services and Supplies

Only expenditures that can be identified as a direct cost of this mandate may be claimed. List the cost of materials consumed or expended specifically for the purpose of this mandate.

Source documents to be maintained by the claimant may include, but are not limited to, invoices, receipts, purchase orders, and other documents evidencing the validity of the expenditures.

#### (3) Contracted Services

Contracting costs are reimbursable to the extent that the function to be performed requires special skill or knowledge that is not readily available from the claimant's staff or the service to be provided by the contractor is cost effective.

Give the name(s) of contractor(s) who performed the service(s). Describe the activities performed by each named contractor, actual time spent on this mandate, inclusive dates when services were performed, and itemize all costs for services performed. Attach consultant invoices with the claim.

Source documents to be maintained by the claimant may include, but are not limited to, contracts, invoices, and other documents evidencing the validity of the expenditures.

#### (4) Employee Reimbursement

Reimbursement to the peace officer or member of his or her immediate family for actual and necessary moving and relocation expenses must provide the following:

- (a) Show the dates when the claimant received notification of the threat, when moving and relocation expenses were incurred, and when the officer or member of his or her immediate family was reimbursed.
- (b) Submit with the claim, a copy of the contract, invoices, and receipts for the cost of moving and relocation. Identify the independent contractor or employee who provided services for moving and relocation.
- (c) If confidentiality is involved, to protect the officer's relocation, mark out sensitive areas of the contract, invoices, and receipts.



For audit purposes, all supporting documents must be retained for a period of two years after the end of the calendar year in which the reimbursement claim was filed or last amended, whichever is later. When no funds are appropriated for the initial claim at the time the claim was filed, supporting documents must be retained for two years from the date of initial payment of the claim. Such documents shall be made available to the State Controller's Office on request.

**B. Form TAP-1, Claim Summary**

This form is used to summarize direct costs by claim component and compute allowable indirect costs for the mandate. Claim statistics shall identify the work performed for costs claimed. The claimant must give the number of peace officers who were relocated in the fiscal year of claim as a result of credible threats received.

The Commission on State Mandates requests that claimants send a copy of form TAP-1 for each of the initial years' reimbursement claims by mail or facsimile to the Commission on State Mandates, 1300 I Street, Suite 950, Sacramento, CA 95814, Facsimile: (916) 445-0278. Although providing this information is not a condition of payment, claimants are encouraged to provide this information to enable the Commission to develop a statewide cost estimate and recommend an appropriation to the Legislature.

School districts and local offices of education may compute the amount of indirect costs utilizing the State Department of Education's Annual Program Cost Data Report J-380 or J-580 rate, as applicable. The cost data on this form is carried forward to form FAM-27.

**C. Form FAM-27, Claim for Payment**

Form FAM-27 contains a certification that must be signed by an authorized representative of the district. All applicable information from form TAP-1 must be carried forward to this form for the State Controller's Office to process the claim for payment

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**DEPARTMENT OF PERSONNEL ADMINISTRATION RULES****Moving and Relocation Expenses****Effective January 1, 2002****599.714.1 Scope**

(a) Whenever a permanent state officer or employee is required by any appointing power because of a change in assignment promotion or other reason related to his/her duties, to change his/her place of residence, such officer, agent or employee shall receive reimbursement of his/her actual and necessary moving and relocation expenses incurred by him/her both before and after and by reason of such change of residence, subject to the provisions and limitations of this article.

(b) For the purposes of this article, a move occurs on the official reporting date to the new headquarters, and when a change in residence is reasonable to be required. Relocation shall be paid, when the following conditions are met:

(1) The officer's or employees officially designated headquarters is changed for the advantage of the State, which includes the following:

(A) A promotion offered by any appointing authority, not including those movements that the employee could make through transfer, reinstatement, or reemployment eligibility; or

(B) An involuntary transfer initiated by and at the discretion of the appointing authority,

(C) Any involuntary transfer required to affect a mandatory reinstatement following:

(I) Termination of a career executive or exempt appointment

(II) Leave of absence

(III) Rejection from probation

(D) Any involuntary transfer required to affect a mandatory reinstatement following the expiration or involuntary termination of a temporary appointment, limited term appointment, or training and development assignment when:

(I) the employee did not relocate to accept the appointment or assignment, or

(II) the employee did relocate, at State expense, to accept the appointment or assignment

(2) The move must be a minimum of 50 miles plus the number of miles between the old residence and the old headquarters.

(3) Relocations that meet the above criteria will be fully reimbursed to the extent and limitations in this article.

(c) A change of residence is not deemed reasonable to be required for voluntary transfers or permissive reinstatements, with or without a salary increase, in response to general requests which specify that moving and relocation expenses will not be paid, or for any non-promotional transfer which is primarily for the benefit of the officer or employee.

(d) When an appointment does not meet the criteria in (a) and (b) the appointing power may, at his/her discretion, determine in advance that it is in the best interest of the State to reimburse all or part of the actual reasonable and necessary relocation expenses provided in this article as an incentive to recruit employees to positions that are designated by the appointing power as difficult to fill or because of outstanding qualifications of the appointee, or due to unusual and unavoidable hardship to the employee by reason of the change of residence.

(1) Relocations that meet this criteria shall be reimbursed only for the items in this article specifically authorized by the appointing power, and may be subject to further limitations designated by the appointing power.

(2) Upon determination that any reimbursement will be made, the appointing power shall:

(A) Determine which provisions will apply to the relocation and establish any additional limitations to those provisions such as dollar limits, weight limits, or time limits.

(B) Notify the employee in writing, of specific allowable reimbursements prior to the move.

(e) Requirements and limitations specified in this article may not be waived or exceeded by the appointing power.

(f) Unauthorized relocation expenses and relocation expenses incurred prior to receipt of a written notice of allowable relocation expenses are the responsibility of the employee.

#### **599.715.1 Reimbursement for Miscellaneous Expenses-Excluded Employees**

An officer or employee who is required to change his/her place of residence according to Section 599.714.1 may receive reimbursement for up to \$200 for miscellaneous expenses upon submittal of documentation of the payment of all such expenses and certification that the expenses were related to dissolution to the old household and/or the establishment of a new household and were not otherwise reimbursed.

(a) Reimbursement for the installation and/or connection of appliances or antennas purchased after the change of residence shall be allowed provided no claim is made for installation and/or connection of a similar item in the movement of household goods, and installation and/or connection occurs within sixty days of the establishment of a new residence.

(b) Deposits are not reimbursable.

NOTE: Authority cited: Sections 19815.4(d), 19816 and 19820, Government Code. Reference: Section 19841, Government Code.

#### **599.716.1 Reimbursement for Sale of a Residence**

(a) Whenever an officer or employee is required, as defined in Section 599.714, to change his/her officially designated headquarter and such change requires the settlement of a lease on the employee's old residence, the officer or employee shall receive the actual and necessary costs of settlement of the unexpired lease to a maximum of one year.

(b) Reimbursement shall not be allow if it is determined that the officer or employee knew or reasonably should have known that a transfer according to Section 599.714 was imminent before entering into a lease agreement.

(c) Claims for settlement of a lease shall be documented and itemized and submitted within six months following the new reporting date except that the Director of the Department of Personnel Administration may grant an extension of not more than three months upon receipt of evidence warranting such extension prior to the expiration of the six-months period.

(1) The claim may be a signed agreement between the officer or employee and the lessor or it may be made unilaterally by the officer or employee.

(2) In no event shall the final settlement by the State exceed one year's rent nor shall it include any costs, deposits or fees.

#### **599.717.1 Settlement of a Lease-Excluded Employee**

(a) Whenever an officer or employee is required, as defined by Section 599.714.1(a) to change his/her place of residence and such change requires the settlement of a lease on the employee's old residence, the officer or employee shall receive the actual and necessary cost of settlement of the unexpired lease to a maximum of one year. In no event shall the lease settlement include any costs, deposits or fees.

(1) Reimbursement shall not be allowed if it is determined that the officer or employee knew or reasonably should have known that a transfer according to Section 599.714.1 was imminent before entering into a lease agreement.

(2) Claims for settlement of a lease shall include a lease agreement signed by both the employee and the

lessor, and shall be itemized and submitted within nine months following the new reporting date.

(b) If an employee is required under 599.714.1(a) to change his/her place of residence and such notice to the employee is insufficient to provide the employee the notice period required by a month to month rental agreement, reimbursement may be claimed for the number of days penalty paid by the employee to a maximum of 30 calendar days.

(1) Reimbursement shall not be allowed for days that the employee failed to notify the landlord after notification by the employer of the reassignments.

(2) Claims shall be accompanied by a copy of the rental agreement, an itemized receipt for the penalty and the name and address of the individual or company to which the rental penalty has been paid.

(c) No reimbursement shall be made for forfeiture of cleaning or security deposits, or for repair, replacement, or damages of rental property.

#### **599.718.1 Expenses for Moving Household Effects**

(a) For the purpose of these regulations, household or personal effects include items such as furniture, clothing, musical instruments, household appliances, food, and other items that are usual or necessary for the maintenance of one household.

(b) Household effects shall not include items connected to a for profit business, items from another household, items that are permanently affixed to the property being vacated or items that would normally be discarded or recycled.

(c) At the discretion of the appointing power, other items may be considered household effects based on a consideration of the estimated cost of the move and a review of the items listed on the inventory. Expenses related to moving items other than those described in (a) that have not been approved by the appointing power shall be the responsibility of the employee.

NOTE: Authority cited: Sections 19815.4(d), 19816 and 19820, Government Code, Reference: Section 19841.

#### **599.719.1 Reimbursement for Moving Household Effects**

Reimbursement shall be allowed for the cost of moving an employee's effects either via commercial household goods carrier or by the employee. Reimbursements under this rule shall not exceed the cost of moving the employee's household goods from the old residence to the new headquarters plus 50 miles unless the appointing authority determines that a longer move is in the best interest of the State. Any additional expense associated with an interstate or intercountry move shall be approved in advance by the appointing power. No reimbursement will be allowed for the hiring of casual labor.

(a) When the employee retains a commercial mover, reimbursement for actual and necessary expenses incurred by a commercial mover under this article for the packing, insurance, one pickup, transportation, storage-in-transit (not including warehouse handling charges except when required by interstate tariffs), one delivery, unpacking, and installation at the new location of an employee's household effects shall be allowed subject to the following:

(1) Weight of household effects for which expenses may be reimbursed shall not exceed 5,000 kilograms (11,000 pounds).

(2) Duration of storage-in-transit for which charges may be reimbursed shall not exceed 60 calendar days unless a longer period of storage is approved in advance by the appointing authority based on hardship to the employee.

(3) Rates at which reimbursement is allowed shall not exceed the minimum rates, at the minimum declared valuation, established by the California Public Utilities Commission for household goods carriers, unless a higher rate is approved by the Department of General Services.

(4) Cost of insurance for which reimbursement is allowed shall not exceed the cost of insurance coverage at \$2.00 valuation for each pound of household effects shipped by household goods carrier.

(5) Claims for exceptions to the 11,000 pounds statutory limit will be considered by the appointing authority up to a maximum of 23,000 pounds, only when it has been determined that every reasonable effort had

been made to conform to the limit. Exceptions to the number of pick-ups and deliveries may be made by the appointing power when it is reasonably necessary and in the best interest of the state.

(b) When the employee does not retain a commercial mover, reimbursement shall be allowed as follows for expenses related to the movement by the employee of his/her household effects in a truck or trailer.

(1) Rental of a truck or trailer from a commercial establishment. When not included in the truck rental rate, the cost of gasoline, rental of furniture, dolly, packing cartons and protective pads will be reimbursed. If the total costs exceed \$1,000 the claim must be accompanied by at least one written commercial rate quote. Reimbursement will be made at the rate (including gasoline) which results in the lowest cost; or

(2) Mileage reimbursement at the rates provided in Section or 599.631.1 (b) for noncommercial privately owned motor vehicles used in transporting the employee's household effects.

(3) Reimbursement for more than one trip by the method described in (b)(1) or (2) above may be allowed if the employee's agency has determined that the total cost would be less than the cost of movement by a commercial household goods carrier.

(c) If household goods are moved exclusively in the employee's personal vehicle, reimbursement for mileage may be claimed at the State mileage rate. No other mileage or moving expense shall be allowed.

(d) All claims for the reimbursement of the movement of household goods require receipts. Unless an exception is granted by the appointing authority, claims shall be submitted no later than 2 years and 60 days from the effective date of appointment or 15 days prior to voluntary separation, whichever is first.

#### **599.720.1 Reimbursement for Movement of a Mobile Home**

For the movement of a mobile home, which contains the household effects of an officer or employee, and has served as the employee's residence at the previous location at the time of notification of relocation, reimbursement will be allowed as follows:

(a) Where transportation of the trailer coach is by a commercial mobile home transporter and receipts are submitted:

(1) For tolls, taxes, charges, fees, or permits fixed by the State or local authority required for the transportation or assembly or trailer coaches actually incurred by the employee.

(2) Charges for disassembly and assembly of the trailer, including but not limited to, disassembly and assembly of trailer, skirt, awnings, porch, the trailer coach itself, and other miscellaneous documented, itemized expenses related to the dissolution of the old household and/or the establishment of the new household, up to \$2,500 unless an exception is approved by the appointing power.

(3) Reimbursement will be allowed for the actual cost supported by voucher and installation of wheels and axles necessary to comply with the requirements of Chapter 5, Article 1 of the California Vehicle Code.

(4) Three competitive bids shall be obtained and reimbursement will be approved at the lowest bid. Based on information documenting the attempt to obtain three bids as provided by the employee, the appointing power may waive the three-bid requirement.

(5) Reimbursement received under this section precludes any additional reimbursement for miscellaneous expenses under Section 599.715.1.

(6) Movement of the trailer coach at rates exceeding the minimum rates established by the California Public Utilities Commission for mobile home transporters:

(7) Charges at P. U. C. minimum rates to obtain permits identified above:

(8) Storage-in-transit for up to 60 calendar days at P. U. C. minimum rates, unless an extension is approved by the appointing authority.

(b) Where transportation of the coach is by an employee, expenses may be claimed for a one-way trip by submitting gasoline receipts.

(c) Reimbursement will not be allowed for :

(1) Purchase of parts and materials except for those items necessary to comply with the minimum requirements of the California Administrative Code, Title 25, Chapter 5.

- (2) Repairs including tires and tubes, and breakdown in transit.
- (3) Costs associated with maintenance or repair of the trailer coach.
- (4) Costs for separate shipment of household goods carrier unless that is determined to be the most economical method of transport.
- (5) Costs associated with the movement or handling of permanent structures.
- (d) All claims related to the movement of a trailer coach and the household goods therein require receipts and shall be submitted no later than 2 years and 60 days from the effective date of appointment, or 15 days prior to the voluntary separation, whichever is first. No extension will be granted.

#### **599.722.1 Relocation Subsistence Reimbursement and Mileage**

(a) If eligible under Section 599.714(a), an officer or employee shall be reimbursed for actual lodging, supported by a receipt, and meal and incidental expenses in accordance with and not to exceed the rate established in Section 599.619(a)(1) and (2), while locating a permanent residence at the new location. Employees who do not furnish receipts for lodging may be reimbursed for noncommercial meals and noncommercial lodging in accordance with 599.619(b). A permanent residence is typically an abode that is purchased, or rented on a monthly basis, of a type that provides long-term living accommodations, where any utilities are hooked up (gas, electric, cable, phone), and mail is delivered.

(1) Reimbursement may be claimed for up to 60 days, except an extension of up to 30 days may be granted when the Appointing power has determined in advance that the delay of change of residence is a result of unusual and unavoidable circumstances that are beyond the control of the officer or employee. The maximum reimbursement to be received by said officer, or employee shall not exceed the equivalent dollar amount of 60 days of full meals, incidentals, and receipted lodging.

(2) Interruptions in relocation caused by sick leave, vacation or other authorized leaves of absence shall be reimbursable at the option of the employee providing the employee remains at the new location and is actively seeking a permanent residence.

(3) The relocation subsistence reimbursement shall terminate immediately upon establishment of a permanent residence. The appointing power shall determine when a permanent residence has been established.

(4) Partial days shall count as full days for the purpose of computing the 60-day period.

(b) Upon approval of the Appointing Power, meals and/or lodging expenses, for up to fourteen days, arising from trips to the new location for the sole purpose of locating housing shall be reimbursed in accordance with Section 599.619(a)(1) and (2), or 599.619(c)(1) or 599.619(d). Claims for reimbursement of meals/lodging expenses in this item are limited to those incurred after receipt of formal written authorization for relocation and prior to the effective date of appointment.

The period claimed should be included in the computation of the 60-day relocation period.

(c) Reimbursement for travel from the old residence to the new headquarters may be claimed one way one time and shall not exceed the mileage rate allowed in 599.631(a).

Note: Authority cited: Section 3539.5, Government Code. Reference: Section 19841, Government Code.

#### **599.724.1 Payment of Claims for Moving and Relocation Expenses**

(a) The Department of Personnel Administration shall be responsible for prescribing any specific procedures necessary for effective and economical operation of this article. Claims shall be made on authorized forms, scheduled in the normal manner and submitted through regular channels to the State Controller for payment. All claims must be substantiated by invoices, receipts, or other evidence for each item claimed.

(b) Agencies may contract directly with the carrier for movement of household effects of officers and employees at state expense, subject to the same restrictions as if the shipment was arranged by the officer or employee and reimbursed by the State.

(c) If the change in residence results in the salary of the officer or employee being paid by a different appointing power, all allowable moving and relocation expenses shall be paid by the new appointing

power except where the old appointing power agrees to pay all or part of the expenses allowable under this Article.

(d) Each department shall be responsible for insuring that upon notice to the employee of an impending move a copy of these rules shall be given to the officer or employee.

(e) When exceptions have been granted by an appointing authority, the written justification of those exceptions shall be maintained with the applicable claims.

### **599.619 Reimbursement for Meals and Lodging**

The employee on travel status shall be reimbursed actual expenses for receipted lodging, and for meals and incidentals as provided in this section, unless directed to travel under the provision of 599.624.1. Lodging and/or meals provided by the State or included in hotel expenses or conference fees, or in transportation costs such as airline tickets, or otherwise provided shall not be claimed for reimbursement. Snacks and continental breakfasts, such as rolls, juice and coffee, are not considered to be meals. The circumstances of travel will determine the rate allowed.

(a) Short-term Travel. Reimbursement for short-term subsistence will be authorized only when the traveler incurs expenses arising from the use of reasonable, moderately priced commercial lodging and meal establishments, such as hotels, motels, bed and breakfast inns, campgrounds, restaurants, cafes, diners, etc., that cater to the general public. Employees who stay with friends or relatives may claim meals only in accordance with the rates and time frames set forth below. Lodging receipts are required. The short-term rate is intended for trips of such duration that weekly or monthly rates are not obtainable and will be discontinued after the 30th consecutive day assigned to one location unless an extension has been previously documented and approved by the appointing power. In extending short-term travel, the appointing power shall consider the expected remaining length of travel assignment.

(1) In computing reimbursement for continuous short-term travel of more than 24 hours and less than 31 consecutive days, the employee will be reimbursed for actual costs up to the maximum allowed for each meal, incidental, and lodging expense for each complete 24 hours of travel, beginning with the traveler's time of departure and return, as follows:

(A) On the first day of travel on a trip of 24 hours or more:

Trip begins at or before 6am:	breakfast may be claimed on the first day
Trip begins at or before 11am:	lunch may be claimed on the first day
Trip begins at or before 5pm:	dinner may be claimed on the first day

(B) On the fractional day of travel at the end of the trip of more than 24 hours:

Trip ends at 8 am:	breakfast may be claimed
Trip ends at or after 2pm:	lunch may be claimed
Trip ends at or after 7pm:	dinner may be claimed

If the fractional day includes an overnight stay, receipted lodging may be claimed. No meal or lodging expense may be claimed or reimbursed more than once on any given date or during any 24-hour period.

(C) Reimbursement shall be for actual expenses, subject to the following maximum rates:

#### **Meals:**

Breakfast	\$6.00
Lunch	\$10.00
Dinner	\$18.00
Incidentals	\$6.00

Receipts for meals must be maintained by the employee as substantiation that the amount claimed was not in excess of the amount of actual expense. The term incidentals includes but is not limited to expenses for laundry, cleaning and pressing of clothing, and fees and tips for services, such as for

porters and baggage carriers. It does not include taxicab fares, lodging taxes or the costs of telegrams or telephone calls.



**Lodging**

Statewide, with receipts. Actual up to \$84.00 plus tax

When employees are required to do business and obtain lodging in the Counties of Los Angeles and San Diego and an actual lodging up to \$110.00 plus tax.

When employees are required to do business and obtain lodging in the Counties of Alameda, San Francisco, San Mateo and Santa Clara, actual lodging up to \$140.00 plus tax.

If lodging receipts are not submitted, reimbursement will be for actual expenses for meals/incidentals only at the rates and time frames set forth in this section.

(2) In computing reimbursement for continuous travel of less than 24 hours, actual expenses, up to the maximums in (C) above, will be reimbursed for breakfast and/or dinner and/or lodging in accordance with the following time frames:

Travel begins at or before 6 a.m. and ends at or after 9 a.m.: Breakfast may be claimed

Travel begins at or before 4 p.m. and ends at or after 7 p.m.: Dinner may be claimed

If the trip of less than 24 hours includes an overnight stay, receipted lodging may be claimed.

No lunch or incidentals may be reimbursed on travel of less than 24 hours.

(b) Long-term Travel. Reimbursement for long-term meals and receipted lodging will be authorized when the traveler incurs expenses in one location comparable to those arising from the use of commercial establishments catering to the long-term visitor. Meals and/or lodging provided by the State shall not be claimed for reimbursement. With approval of the appointing power and upon meeting the criteria in (3) below, an employee on long-term field assignment who is living at the long-term location may claim either:

(1) \$24.00 for meals and incidentals and up to \$24.00 for receipted lodging for travel of 12 hours up to 24 hours; either \$24.00 for meals or up to \$24.00 for receipted lodging for travel less than 12 hours, or

(2) Reimbursement for actual individual expense, substantiated by receipts for lodging, utility, gas, and electricity, up to a maximum of \$1,130.00 per calendar month while on a long term assignment, and \$10.00 for incidentals, without receipts, for each period of 12 to 24 hours; \$5.00 for meals and incidentals for periods of less than 12 hours at the long term location.

(3) To claim expenses under either (1) or (2) above, the employee must meet the following criteria:

(A) The employee continues to maintain a permanent residence at the primary headquarters and

(B) The permanent residence is occupied by the employee's dependents, or

(C) The permanent residence is maintained at a net expense to the employee exceeding \$200 per month.

(D) The employee must submit substantiating evidence of these conditions to the appointing power in accordance with its requirements.

(4) Employees who do not meet the criteria to claim (1) or (2) above may claim \$12.00 for meals and incidentals and \$12.00 for receipted lodging for every 12 to 24 hours at the long term location; \$12.00 for meals or \$12.00 receipted lodging for periods of less than 12 hours at the long term location.

(5) With the approval of the appointing power, the reimbursement of long term lodging may continue when the employee is away from the long term location on short term business travel or other absences from the location as approved by the appointing authority.

(c) Out-of-State Travel. Out-of-State travel is any kind of travel outside the State of California for the purpose of conducting business outside the State of California. For short-term out-of-state travel, employees will be reimbursed for actual lodging expenses, supported by receipt, and will be reimbursed for meal and incidental expenses as defined in section 599.619(a). Failure to furnish

lodging receipts will limit reimbursement to meals only at the rates specified in (a). Long-term out-of-state travel will be reimbursed according to Section 599.619(c).

(d) Out-of-Country Travel. For short-term out-of-country travel, employees will be reimbursed for actual lodging expenses, supported by a receipt, and will be reimbursed for actual meal and incidental expenses subject to maximum rates in accordance with the published Government meal and incidental rates for foreign travel for the dates of travel. Failure to furnish lodging receipts will limit reimbursement to meals only in accordance with the published Government meals and incidental rates for foreign travel. Long-term out-of-country travel will be reimbursed according to Section 599.619(a) through (c).

(e) Exceptions to reimburse in excess of the maximum lodging rate cited in (a) of this rule may be granted by the Appointing Power only in an emergency, or when there is no lodging available at the State maximum rate or when it is cost effective. The Appointing Power shall document the reasons for each exception and shall keep this documentation on file for three calendar years from the date of the exception.

NOTE: Authority cited; sections 3539.5, 19815.4(d), 19816 and 19820, Government Code. Reference: Sections 3527(b) and 11030, Government Code.

### **599.631 TRANSPORTATION BY PRIVATELY OWNED AUTOMOBILE**

(a) Where the employee is authorized to use a privately owned automobile on official state business the reimbursement rate shall be up to 31 cents per mile. Claims for reimbursement for private vehicle expenses must include the vehicle license number and the name of each state officer, employee, or board, commission, or authority, member transported on the trip. No reimbursement of transportation expense shall be allowed any passenger in any vehicle operated by another state officer, employee, or member.

(1) Expenses arriving from travel between home and headquarters or garage shall not be allowed, except as provided in 599.626(d)(2) or 599.626.1(c), regardless of the employee's normal mode of transportation.

(2) When a trip is commenced or terminated at a claimant's home on a regularly scheduled work day, the distance traveled shall be computed from either his or her residence or headquarters, whichever shall result in the lesser distance except as provided in 599.626.1(c).

(3) However, if the employee commences or terminates travel on a regularly scheduled day off, mileage may be computed from his or her residence.

(b) Where the employee's use of a privately owned automobile is authorized for travel to or from a common carrier terminal, and the automobile is not parked at the terminal during the period of travel, the employee may claim double the number of miles between the terminal and the employee's headquarters of residence, whichever is less, at a rate defined in section 599.631(a), while the employee occupies the automobile for the distance between the terminal and his or her residence or headquarters. If the employee commences or terminates travel one hour before or after his/her regularly scheduled work day, or on a regularly scheduled day off, mileage may be computed from his/her residence.

(c) All ferry, bridge, or toll charges while on state business will be allowed with any required receipts.

(d) All necessary parking charges while on state business will be allowed, with any required receipts, for:

(1) Day parking on trips away from the headquarters office and employee's primary residence.

(2) Overnight parking on trips away from the headquarters and employee's primary residence, except that parking shall not be claimed if expense-free overnight parking is available.

(3) Day parking adjacent to either headquarters office, a temporary job site, or training site, but only if the employee had other reimbursable private or state automobile expenses for the same day. An employee may not prorate weekly or monthly parking fees.

(e) Gasoline, maintenance, and automobile repair expenses will not be allowed.

(f) The mileage reimbursement rates include the cost of maintaining liability insurance at the minimum amount prescribed by a law and collection insurance sufficient to cover the reasonable value of the automobile, less a deductible. When a privately owned automobile operated by a state officer, agent, or employee is damaged by collision or is otherwise accidentally damaged, reimbursement for repair or the

deductible to a maximum of \$500.00 will be allowed if:

- (1) The damage occurred while the automobile was used on official business by permission or authorization of the employing agency; and
  - (2) The automobile was damaged through no fault of the state officer, agent, or employee; and
  - (3) The amount claimed is an actual loss to the state officer, agent, or employee, and is not recoverable directly from or through the insurance coverage of any party involved in the accident; and
  - (4) The loss claimed does not result from a decision of a state officer, agent, or employee not to maintain collision coverage; and
  - (5) The claim is processed in accordance with the procedures prescribed by the Department of Personnel Administration.
- (g) **Specialized Vehicles.** An employee with a physical disability who must operate a motor vehicle on official state business and who can operate only specially equipped or modified vehicles may claim a rate of 24 cents per mile without certification. Where travel is authorized to and from a common carrier terminal, as specified in section 599.631(b). Supervisors approving these claims must determine the employee's need for the use of such vehicles.

#### **AUTHORIZED RELOCATION EXPENSES**

Per Diem - Employees may claim up to 60 days while at the new location until a new permanent residence is found. Specific per diem allowance for excluded employee are attached. Extensions of the per diem may be granted by the Department of Personnel Administration if the employee suffers unusual hardship. Requests for extensions must be submitted to the Relocation Liaison, on a Std. 256 prior to the expiration of the 60 day period. The Relocation Liaison will review the Std. 256 for completeness then forward to the Department of Personnel Administration.

Shipment of Household Goods - The State will pay for the packing, transportation, insurance, storage-in-transit, unpacking and installation of employee's household effects. The employer will issue the relocating employee a "Moving Service Authorization" which the employee will give to any licensed mover. The Moving Service Authorization authorizes the mover to bill the State directly. There is no actual dollar limitation, (the State only pays minimum tariff rates), however there is an 11,000 pound weight limit. If the mover estimates the weight of the household goods to be more than 11,000 pounds, the employee should immediately submit a Std. 256 with the mover's estimate to the Relocation Liaison. The Department of Personnel Administration may approve excess weight provided the employee requests the exception in advance of the actual move.

The State will not pay for the shipment of the following prohibited items:

Automobiles other motor vehicles farm tractor, implements and equipment trailers with or without other property boats all animals, livestock, or pets belongings which are not the property of the immediate family of the officer or employee belongings related to commercial enterprises engaged in by the officer or employee firewood, fuels bricks, sand ceramic wall tile wire fence or other building materials wastepaper and rags.

Storage in Transit - The State will pay for the storage of household goods for up to 60 days. Storage is limited to 11,000 pounds of household goods unless the excess weight has been previously approved by DPA. The storage company should bill the State directly using the authorization of the Moving Service Authorization. Miscellaneous items taken out of storage prior to the moving company delivering all household goods is not reimbursable and must be paid by the employee.

Sale of Residence - The State will pay for certain costs associated with the sale of the employee's dwelling which was his/her residence at the time of notification of the transfer.

Reimbursable costs are:

Brokerage Commission, Escrow fees, Title insurance, Prepayment penalties, Local taxes, charges or fees required to consummate the sale. Miscellaneous sellers costs up to \$200.00.

Nonreimbursable costs are:

Seller's Points, Property tax, Repair work and re-inspection fees.

Excluded employees have two years from the reporting date at the new headquarters to submit a claim for reimbursement of seller's costs. There is no extension of the time limit for Non-represented employees.

Settlement of a Lease - The State will pay for the settlement of a lease which was entered into prior to notification of the transfer. Claims for payment of the lease settlement must be submitted within 9 months from the reporting date at the new headquarters.

Movement of a Trailer Coach - The State will pay for the actual cost of transporting the mobile home to the new location plus up to \$2,500 for disassembly and assembly of the trailer. Request for reimbursement in excess of \$2,500 must be submitted to DPA on a Std. 256 prior to the move; approval will only be given for the lowest of three bids. Household goods must be shipped in the mobile home unless DPA approves a separate shipment.

Miscellaneous - There is a \$200.00 miscellaneous allowance with documentation and certification, which is intended to assist the employee in establishing the new household. This allowance should be used to pay utility installation fees, appliance hook-up fees and the like. It is appropriate to use this allowance for cable hook-up. This allowance may not be used to satisfy deposit requirements. The allowance may not be claimed if moving a mobile home; hook-up, etc., are included in the mobile home set-up charge.

Mileage - The employee may be reimbursed 24 cents per mile for one vehicle to make one one-way trip between the old residence and the new residence. Anything over locating cents is considered taxable income.

Private car mileage for the purpose of locating housing at the new location is not reimbursable.

EXPENSES INCURRED PRIOR TO THE OFFICIAL TRANSFER CANNOT BE CLAIMED.

CLAIM FOR PAYMENT Pursuant to Government Code Section 17561 THREATS AGAINST PEACE OFFICERS (SCHOOL DISTRICTS)			For State Controller Use Only	Program
			(19) Program Number 00242	242
			(20) Date Filed ____/____/____	
			(21) LRS Input ____/____/____	
L A B E L  H E R E	(01) Claimant Identification Number		Reimbursement Claim Data	
	(02) Claimant Name		(22) TAP-1, (03)	
	County of Location		(23) TAP-1, (04)(1)(e)	
	Street Address or P.O. Box Suite		(24) TAP-1, (04)(2)(e)	
	City State Zip Code		(25) TAP-1, (06)	
			(26) TAP-1, (07)	
Type of Claim	Estimated Claim	Reimbursement Claim	(27) TAP-1, (9)	
	(03) Estimated <input type="checkbox"/>	(09) Reimbursement <input type="checkbox"/>	(28) TAP-1, (10)	
	(04) Combined <input type="checkbox"/>	(10) Combined <input type="checkbox"/>	(29)	
	(05) Amended <input type="checkbox"/>	(11) Amended <input type="checkbox"/>		
Fiscal Year of Cost	(06) 20____/20____	(12) 20____/20____	(30)	
Total Claimed Amount	(07)	(13)	(31)	
Less: 10% Late Penalty, not to exceed \$1,000		(14)	(32)	
Less: Prior Claim Payment Received		(15)	(33)	
Net Claimed Amount		(16)	(34)	
Due from State	(08)	(17)	(35)	
Due to State		(18)	(36)	
<b>(37) CERTIFICATION OF CLAIM</b> <p>In accordance with the provisions of Government Code Section 17561, I certify that I am the officer authorized by the community college to file mandated cost claims with the State of California for this program, and certify under penalty of perjury that I have not violated any of the provisions of Government Code Sections 1090 to 1098, inclusive.</p> <p>I further certify that there was no application other than from the claimant, nor any grant or payment received, for reimbursement of costs claimed herein, and such costs are for a new program or increased level of services of an existing program. All offsetting savings and reimbursements set forth in the Parameters and Guidelines are identified, and all costs claimed are supported by source documentation currently maintained by the claimant.</p> <p>The amounts for this Estimated Claim and/or Reimbursement Claim are hereby claimed from the State for payment of estimated and/or actual costs set forth on the attached statements. I certify under penalty of perjury under the laws of the the State of California that the foregoing is true and correct.</p> <div style="display: flex; justify-content: space-between;"> <div>Signature of Authorized Officer</div> <div>Date</div> </div> <div style="display: flex; justify-content: space-between; margin-top: 20px;"> <div>_____</div> <div>_____</div> </div> <div style="display: flex; justify-content: space-between;"> <div>Type or Print Name</div> <div>Title</div> </div> <div style="display: flex; justify-content: space-between; margin-top: 10px;"> <div>(38) Name of Contact Person for Claim</div> <div>Telephone Number ( ) - Ext.</div> </div> <div style="display: flex; justify-content: space-between; margin-top: 10px;"> <div>_____</div> <div>E-Mail Address</div> </div>				

<b>Program</b> <b>242</b>	<b>THREATS AGAINST PEACE OFFICERS (SCHOOL DISTRICTS)</b> <b>Certification Claim Form</b> <b>Instructions</b>	<b>FORM</b> <b>FAM-27</b>
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- (01) Enter the payee number assigned by the State Controller's Office.
- (02) Enter your Official Name, County of Location, Street or P. O. Box address, City, State, and Zip Code.
- (03) If filing an estimated claim, enter an "X" in the box on line (03), Estimated.
- (04) Leave blank.
- (05) If filing an amended claim, enter an "X" in the box on line (05), Amended.
- (06) Enter the fiscal year in which costs are to be incurred.
- (07) Enter the amount of the estimated claim. If the estimate exceeds the previous year's actual costs by more than 10%, complete form TAP-1 and enter the amount from line (11).
- (08) Enter the same amount as shown on line (07).
- (09) If filing a reimbursement claim, enter an "X" in the box on line (09), Reimbursement.
- (10) Leave blank.
- (11) If filing an amended claim, enter an "X" in the box on line (11), Amended.
- (12) Enter the fiscal year for which actual costs are being claimed. If actual costs for more than one fiscal year are being claimed, complete a separate form FAM-27 for each fiscal year.
- (13) Enter the amount of the reimbursement claim from form TAP-1, line (11). The total claimed amount must exceed \$1,000.
- (14) Reimbursement claims must be filed by January 15 of the following fiscal year in which costs were incurred or the claims shall be reduced by a late penalty. Enter zero if the claim was timely filed, otherwise, enter the product of multiplying line (13) by the factor 0.10 (10% penalty), or \$1,000, whichever is less.
- (15) If filing a reimbursement claim and a claim was previously filed for the same fiscal year, enter the amount received for the claim. Otherwise, enter a zero.
- (16) Enter the result of subtracting line (14) and line (15) from line (13).
- (17) If line (16), Net Claimed Amount, is positive, enter that amount on line (17), Due from State.
- (18) If line (16), Net Claimed Amount, is negative, enter that amount on line (18), Due to State.
- (19) to (21) Leave blank.
- (22) to (36) Reimbursement Claim Data. Bring forward the cost information as specified on the left-hand column of lines (22) through (36) for the reimbursement claim, e.g., TAP-1, (03), means the information is located on form TAP-1, line (03). Enter the information on the same line but in the right-hand column. Cost information should be rounded to the nearest dollar, i.e., no cents. Indirect costs percentage should be shown as a whole number and without the percent symbol, i.e., 7.548% should be shown as 8. **Completion of this data block will expedite the payment process.**
- (37) Read the statement "Certification of Claim." If it is true, the claim must be dated, signed by the agency's authorized officer, and must include the person's name and title, typed or printed. **Claims cannot be paid unless accompanied by an original signed certification. (To expedite the payment process, please sign the form FAM-27 with blue ink, and attach a copy of the form FAM-27 to the top of the claim package.)**
- (38) Enter the name, telephone number, and e-mail address of the person whom this office should contact if additional information is required.

Claims should be rounded to the nearest dollar. Submit a signed original and a copy of form FAM-27, Claim for Payment, and all other forms and supporting documents. **(To expedite the payment process, please sign the form in blue ink, and attach a copy of the form FAM-27 to the top of the claim package.)** Use the following mailing addresses:

**Address, if delivered by U.S. Postal Service:**

**OFFICE OF THE STATE CONTROLLER**  
**ATTN: Local Reimbursements Section**  
**Division of Accounting and Reporting**  
**P.O. Box 942850**  
**Sacramento, CA 94250**

**Address, if delivered by other delivery service:**

**OFFICE OF THE STATE CONTROLLER**  
**ATTN: Local Reimbursements Section**  
**Division of Accounting and Reporting**  
**3301 C Street, Suite 500**  
**Sacramento, CA 95816**

<b>Program</b> <b>242</b>	<b>MANDATED COSTS</b> <b>THREATS AGAINST PEACE OFFICERS</b> <b>CLAIM SUMMARY</b>				<b>FORM</b> <b>TAP-1</b>
(01) Claimant		(02) Type of Claim		Fiscal Year	
		Reimbursement <input type="checkbox"/>			
		Estimated <input type="checkbox"/>		20__/20__	
<b>Claim Statistics</b>					
(03) Number of peace officers relocated in the fiscal year of claim					
<b>Direct Costs</b>		<b>Object Accounts</b>			
(04) Reimbursable Components		(a)	(b)	(c)	(d)
		Salaries and Benefits	Services and Supplies	Employee Reimbursement	Total
1. Moving and Relocation Expenses (7/1/95 - 12/31/95)					
2. Moving and Relocation Expenses (1/1/96 - Present)					
(05) Total Direct Costs					
<b>Indirect Costs</b>					
(06) Indirect Cost Rate				[Federally Approved OMB A-21, FAM-29C, or 7%]	%
(07) Total Indirect Costs				[Line (06) x line (05)(a)]	
(08) Total Direct and Indirect Costs				[Line (05)(e) + line (07)]	
<b>Cost Reduction</b>					
(09) Less: Offsetting Savings, if applicable					
(10) Less: Other Reimbursements, if applicable					
(11) Total Claimed Amount					[Line (08) - {line (09) + line (10)}]

<b>Program</b> <b>242</b>	<b>THREATS AGAINST PEACE OFFICERS</b> <b>CLAIM SUMMARY</b> <b>Instructions</b>	<b>FORM</b> <b>TAP-1</b>
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- (01) Enter the name of the claimant. If more than one department has incurred costs for this mandate, give the name of each department. A form TAP-1 should be completed for each department.
- (02) Type of Claim. Check a box, Reimbursement or Estimated, to identify the type of claim being filed. Enter the fiscal year of costs.
- Form TAP-1 must be filed for a reimbursement claim. Do not complete form TAP-1 if you are filing an estimated claim and the estimate does not exceed the previous fiscal year's actual costs by more than 10%. Simply enter the amount of the estimated claim on form FAM-27, line (07). However, if the estimated claim exceeds the previous fiscal year's actual costs by more than 10%, form TAP-1 must be completed and a statement attached explaining the increased costs. Without this information the estimated claim will automatically be reduced to 110% of the previous fiscal year's actual costs.
- (03) Enter the number of peace officers relocated in the fiscal year of claim due to credible threats.
- (04) Reimbursable Components. For each reimbursable component, enter the total from form TAP-2, line (05), columns (d), (e), and (f) to form TAP-1, block (04), columns (a), (b), and (c) in the appropriate row. Total each row.
- (05) Total Direct Costs. Total columns (a) through (d).
- (06) Indirect Cost Rate. Community college districts may use the federally approved OMBA-21 rate, the rate computed using form FAM 29C, or a 7% indirect cost rate, for the fiscal year of costs.
- (07) Total Indirect Costs. Enter the result of multiplying the Indirect Cost Rate, line (06) by the Total Salaries and Benefits, line (05)(a).
- (08) Total Direct and Indirect Costs. Enter the sum of Total Direct Costs, line (05)(d), and Total Indirect Costs, line (07).
- (09) Less: Offsetting Savings, if applicable. Enter the total savings experienced by the claimant as a direct result of this mandate. Submit a detailed schedule of savings with the claim.
- (10) Less: Other Reimbursements, if applicable. Enter the amount of other reimbursements received from any source including, but not limited to, service fees collected, federal funds, and other state funds, which reimbursed any portion of the mandated cost program. Submit a schedule detailing the reimbursement sources and amounts.
- (11) Total Claimed Amount. Subtract the sum of Offsetting Savings, line (09), and Other Reimbursements, line (10), from Total Direct and Indirect Costs, line (08). Enter the remainder on this line and carry the amount forward to form FAM-27, line (07) for the Estimated Claim or line (13) for the Reimbursement Claim.



<b>Program</b> <b>242</b>	<b>MANDATED COSTS</b> <b>THREATS AGAINST PEACE OFFICERS</b> <b>COMPONENT/ACTIVITY COST DETAIL</b>					<b>FORM</b> <b>TAP-2</b>
(01) Claimant			(02) Fiscal Year Costs Were Incurred			
(03) Reimbursable Components: Check only <b>one</b> box per form to identify the component being claimed. <div style="display: flex; justify-content: space-around; align-items: flex-start;"> <div style="text-align: center;"> <input type="checkbox"/> Moving and Relocation Expenses (7/1/95 - 12/31/95)         </div> <div style="text-align: center;"> <input type="checkbox"/> Moving and Relocation Expenses (1/1/96 - Present)         </div> </div>						
(04) Description of Expenses: Complete columns (a) through (g).			<b>Object Accounts</b>			
(a)  Employee Names, Job Classifications, Functions Performed, and Description of Expenses	(b)  Hourly Rate or Unit Cost	(c)  Hours Worked or Quantity	(d)  Salaries and Benefits	(e)  Services and Supplies	(f)  Employee Reimburse- ment	
(05) Total <input type="checkbox"/> Subtotal <input type="checkbox"/> Page: ____ of ____						

<b>Program</b> <b>242</b>	<b>THREATS AGAINST PEACE OFFICERS</b> <b>COMPONENT/ACTIVITY COST DETAIL</b> <b>Instructions</b>	<b>FORM</b> <b>TAP-2</b>
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- (01) Enter the name of the claimant.
- (02) Enter the fiscal year for which costs were incurred.
- (03) Reimbursable Components. Check the box which indicates the cost component being claimed. Check only one box per form. A separate form TAP-2 shall be prepared for each applicable component.
- (04) Description of Expenses. The following table identifies the type of information required to support reimbursable costs. To detail costs for the component activity box "checked" in block (03), enter the employee names, position titles, a brief description of the activities performed, actual time spent by each employee, productive hourly rates, fringe benefits, supplies used, contract services, etc. **The descriptions required in column (4)(a) must be of sufficient detail to explain the cost of activities or items being claimed.** For audit purposes, all supporting documents must be retained by the claimant for a period of not less than three years after the date the claim was filed or last amended, whichever is later. If no funds were appropriated and no payment was made at the time the claim was filed, the time for the Controller to initiate an audit shall be from the date of initial payment of the claim. Such documents shall be made available to the State Controller's Office on request.

Object/ Sub object Accounts							Submit these supporting documents with the claim
	(a)	(b)	(c)	(d)	(e)	(f)	
<b>Salaries</b>	Employee Name	Hourly Rate	Hours Worked	Salaries = Hourly Rate x Hours Worked			
<b>Benefits</b>	Title  Activities	Benefit Rate		Benefits = Benefit Rate x Salaries			
<b>Services and Supplies</b>  Office Supplies	Description of Supplies Used	Unit Cost	Quantity Used		Cost = Unit Cost x Quantity Used		
<b>Contract Services</b>	Name of Contractor  Specific Tasks Performed	Hourly Rate	Hours Worked  Dates of Service		Cost = Hourly Rate x Hour Worked		Invoice
<b>Employee Reimbursement</b>	Name of Peace Officer	Date of Receipt of Notification of Threat	Date of Moving and Relocation Expenses			Amount of Reimburse- ment	Invoices

- (05) Total line (04), columns (d), (e), and (f) and enter the sum on this line. Check the appropriate box to indicate if the amount is a total or subtotal. If more than one form is needed to detail the component/activity costs, number each page. Enter totals from line (05), columns (d), (e), and (f) to form TAP-1, block (04), columns (a), (b), and (c) in the appropriate row.

# APPENDIX

## A. STATE OF CALIFORNIA TRAVEL EXPENSE GUIDELINES

### Travel Program Effective January 31, 2002

The travel reimbursement program continues to be subject to the Internal Revenue Service (IRS) requirements for an accountable plan. There are no flat rate reimbursements. All items are to be claimed for the actual amount of expense, up to the maximum allowed. If the provisions below do not require submission of a receipt for a given item of expense, it is the employee's responsibility to retain receipts and other records of the expense and have them available for audit.

Lodging and meals that are provided by the State, included in hotel expenses, conference fees, or transportation costs such as airline tickets; or otherwise provided shall not be claimed for reimbursement.

Employees may be reimbursed for actual expenses for breakfast, lunch, dinner, and incidentals for each 24 hours of travel, as follows:

Breakfast	up to	\$6.00
Lunch	up to	10.00
Dinner	up to	18.00
Incidentals	up to	6.00

Incidental expenses include, but are not limited to, expenses for laundering and pressing of clothing and tips for services such as porters and baggage handlers. Incidentals do not include taxicab fares, lodging taxes, or the cost of telegrams or telephone calls.

#### Lodging

All lodging reimbursements require a receipt from a commercial lodging establishment such as a hotel, motel, bed and breakfast inn, or campground that caters to the general public. No lodging will be reimbursed without a valid receipt. Employees who stay with friends or relatives are not eligible for lodging reimbursement, but may claim their actual expenses for meals and incidentals.

#### Short-Term Travel

A. For continuous short-term travel of more than 24 hours but less than 31 days, the employee will be reimbursed for actual costs up to the maximum for each meal, incidental, and lodging expense for each completed 24 hours of travel, beginning with the traveler's time of departure and return as follows:

1. On the first day of travel at the beginning of a trip of more than 24 hours:

Trip begins at or before 6 a.m. - Breakfast may be claimed

Trip begins at or before 11 a.m. - Lunch may be claimed

Trip begins at or before 5 p.m. - Dinner may be claimed

2. On the fractional day of travel at the end of a trip of more than 24 hours:

Trip ends at or after 8 a.m. - Breakfast may be claimed

Trip ends at or after 2 p.m. - Lunch may be claimed

Trip ends at or after 7 p.m. - Dinner may be claimed

If the fractional day includes an overnight stay, receipted lodging may be claimed. No meal or lodging expenses may be claimed or reimbursed more than once on any given date or during any 24-hour period.

- (b) For continuous travel of less than 24 hours, the employee will be reimbursed for actual expenses, up to a maximum as follows:

Travel begins at or before 6 a.m. and ends at or after 9 a.m. - Breakfast may be claimed  
Travel begins at or before 4 p.m. and ends at or after 7 p.m. - Dinner may be claimed

If the trip extends overnight, receipted lodging may be claimed. No lunch or incidentals may be claimed on a trip of less than 24 hours.

### **Short-Term Travel Maximum Lodging Reimbursement Rate**

- A. Statewide except as in (B) and (C) below, actual receipted lodging up to \$84 plus tax.
- B. When required to conduct state business and obtain lodging in the counties of Los Angeles and San Diego, reimbursement will be for actual receipted lodging, to a maximum of \$110 plus tax.
- C. When required to conduct state business and obtain lodging in the counties of Alameda, San Francisco, San Mateo, and Santa Clara, reimbursement will be for actual receipted lodging, to a maximum of \$140 plus tax.

### **Long-Term Travel**

Actual expenses for long-term meals and receipted lodging will be reimbursed when the employee incurs expenses in one location comparable to those arising from the use of establishments catering to long-term visitors.

#### **A. Full Long-Term Travel**

To qualify for full long-term travel reimbursement, the employee on long-term field assignment must meet the following criteria:

- a) The employee continues to maintain a permanent residence at the primary headquarters, and either,
- b) The permanent residence is occupied by the employee's dependents, or
- c) The permanent residence is maintained at a net expense to the employee exceeding \$200 per month.

The employee who is living at the long-term location may claim either:

1. Reimbursement for actual individual expense, substantiated by receipts for lodging, water, sewer, gas, and electricity, up to a maximum of \$1,130 per calendar month while on the long-term assignment, and actual expenses up to \$10 for meals and incidentals, for each period of 12 to 24 hours and up to \$5 for actual meals and incidentals for each period of less than 12 hours at the long-term location, or
2. Long-term subsistence rates of \$24 for actual meals and incidentals, \$24 for receipted lodging for travel of 12 hours up to 24 hours, and either \$24 for actual meals or \$24 for receipted lodging for travel less than 12 hours when the employee incurs expenses in one location comparable to those arising from the use of establishments catering to long-term visitors.

**B. Partial Long-Term Travel**

An employee on long-term field assignment who does not maintain a separate residence in the headquarters area may claim long-term subsistence rates of up to \$12 for actual meals and incidentals and \$12 for receipted lodging for travel of 12 hours up to 24 hours at the long-term location, and either \$12 for actual meals or \$12 for receipted lodging for travel less than 12 hours at the long-term location.

**Receipts**

Receipts or vouchers shall be submitted for every item of expense of \$25 or more.

- A.** Receipts are required for every item of transportation and business expense incurred as a result of conducting state business except for actual expenses as follows:
  - 1. Railroad and bus fares of less than \$25, when travel is wholly within the State of California.
  - 2. Street car, ferry fares, bridge and road tolls, local rapid transit system, taxi, shuttle, or hotel bus fares, and parking fees of \$10 or less for each continuous period of parking or each separate transportation expense noted in this item.
  - 3. Telephone, telegraph, tax, or other business charges related to state business of \$5 or less.
  - 4. In the absence of a receipt, reimbursement will be limited to the non-receipted amount above.
- B.** Reimbursement will be claimed only for the actual and necessary expenses noted above. Regardless of the above exceptions, the approving officer may require additional certification and/or explanation in order to determine that an expense was actually and reasonably incurred. In the absence of a satisfactory explanation, the expense shall not be allowed.

**Mileage**

When an employee is authorized by his/her appointing authority or designee to operate a privately owned vehicle on state business, the employee will be allowed to claim and be reimbursed 34 cents per mile. An employee who is required to use a specialized vehicle that has been modified to accommodate disabilities may claim 37 cents per mile.

## **B. GOVERNMENT CODE SECTIONS 17500-17616**

### **GC §17500: Legislative Findings and Declarations**

The Legislature finds and declares that the existing system for reimbursing local agencies and school districts for the costs of state-mandated local programs has not provided for the effective determination of the state's responsibilities under Section 6 of Article XIII B of the California Constitution. The Legislature finds and declares that the failure of the existing process to adequately and consistently resolve the complex legal questions involved in the determination of state-mandated costs has led to an increasing reliance by local agencies and school districts on the judiciary and, therefore, in order to relieve unnecessary congestion of the judicial system, it is necessary to create a mechanism which is capable of rendering sound quasi-judicial decisions and providing an effective means of resolving disputes over the existence of state-mandated local programs. It is the intent of the Legislature in enacting this part to provide for the implementation of Section 6 of Article XIII B of the California Constitution and to consolidate the procedures for reimbursement of statutes specified in the Revenue and Taxation **Code** with those identified in the Constitution. Further, the Legislature intends that the Commission on State Mandates, as a quasi-judicial body, will act in a deliberative manner in accordance with the requirements of Section 6 of Article XIII B of the California Constitution.

### **GC §17510: Construction of Part**

Unless the context otherwise requires, the definitions contained in this chapter govern the construction of this part. The definition of a word applies to any variants thereof and the singular tense of a word includes the plural.

### **GC §17511: "City"**

"City" means any city whether general law or charter, except a city and county.

### **GC §17512: "Commission"**

"Commission" means the Commission on State Mandates.

### **GC §17513: "Cost Mandated by the Federal Government"**

"Costs mandated by the federal government" means any increased costs incurred by a local agency or school district after January 1, 1973, in order to comply with the requirements of a federal statute or regulation. "Costs mandated by the federal government" includes costs resulting from enactment of a state law or regulation where failure to enact that law or regulation to meet specific federal program or service requirements would result in substantial monetary penalties or loss of funds to public or private persons in the state. "Costs mandated by the federal government" does not include costs which are specifically reimbursed or funded by the federal or state government or programs or services which may be implemented at the option of the state, local agency, or school district.

### **GC §17514: "Costs Mandated by the State"**

"Costs mandated by the state" means any increased costs which a local agency or school district is required to incur after July 1, 1980, as a result of any statute enacted on or after January 1, 1975, or any executive order implementing any statute enacted on or after January 1, 1975, which mandates a new program or higher level of service of an existing program within the meaning of Section 6 of Article XIII B of the California Constitution.

### **GC §17515: "County"**

"County" means any chartered or general law county. "County" includes a city and county.

**GC §17516: "Executive Order"**

"Executive order" means any order, plan, requirement, rule, or regulation issued by any of the following: (a) The Governor. (b) Any officer or official serving at the pleasure of the Governor. (c) Any agency, department, board, or commission of state government. "Executive order" does not include any order, plan, requirement, rule, or regulation issued by the State Water Resources Control Board or by any regional water quality control board pursuant to Division 7 (commencing with Section 13000) of the Water Code. It is the intent of the Legislature that the State Water Resources Control Board and regional water quality control boards will not adopt enforcement orders against publicly owned dischargers which mandate major waste water treatment facility construction costs unless federal financial assistance and state financial assistance pursuant to the Clean Water Bond Act of 1970 and 1974, is simultaneously made available. "Major" means either a new treatment facility or an addition to an existing facility, the cost of which is in excess of 20 percent of the cost of replacing the facility.

**GC §17517: "Fund"**

"Fund" means the State Mandates Claims Fund.

**GC §17518: "Local Agency"**

"Local agency" means any city, county, special district, authority, or other political subdivision of the state.

**GC §17519: "School District"**

"School district" means any school district, community college district, or county superintendent of schools.

**GC §17520: "Special District"**

"Special district" means any agency of the state which performs governmental or proprietary functions within limited boundaries. "Special district" includes a redevelopment agency, a joint powers agency or entity, a county service area, a maintenance district or area, an improvement district or improvement zone, or any other zone or area. "Special district" does not include a city, a county, a school district, or a community college district. County free libraries established pursuant to Chapter 2 (commencing with Section 27151) of Division 20 of the Education Code, areas receiving county fire protection services pursuant to Section 25643 of the Government Code, and county road districts established pursuant to Chapter 7 (commencing with Section 1550) of Division 2 of the Streets and Highways Code shall be considered "special districts" for all purposes of this part.

**GC §17521: "Test Claim"**

"Test claim" means the first claim, including claims joined or consolidated with the first claim, filed with the commission alleging that a particular statute or executive order imposes costs mandated by the state.

**GC §17522: Definitions**

(a) "Initial reimbursement claim" means a claim filed with the Controller by a local agency or school district for costs to be reimbursed for the fiscal years specified in the first statute that appropriates funds for reimbursement of the mandate. (b) "Annual reimbursement claim" means a claim for actual costs incurred in a prior fiscal year filed with the Controller by a local agency or school district for which appropriations are made to the Controller for this purpose. (c) "Estimated reimbursement claim" means a claim filed with the Controller by a local agency or school district in conjunction with an initial reimbursement claim, annual reimbursement claim, or at other times, for estimated costs to be reimbursed during the current or future fiscal years, for which appropriations are made to the Controller for this purpose. (d) "Entitlement claim" means a claim filed by a local agency or school district with the Controller for the purpose of establishing or adjusting a base year entitlement. All entitlement claims are subject to Section 17616.



**GC §17523: "Deflator"**

"Deflator" means the Implicit Price Deflator for the Costs of Goods and Services to Governmental Agencies, as determined by the Department of Finance.

**GC §17524: "Base Year Entitlement"**

"Base year entitlement" means that amount determined to be the average for the approved reimbursement claims of each local agency or school district for the three preceding fiscal years adjusted by the change in the deflator. A base year entitlement shall not include any nonrecurring or initial startup costs incurred by a local agency or school district in any of those three fiscal years. For those mandates which become operative on January 1 of any year, the amount of the "approved reimbursement claim" for the first of the three years may be computed by annualizing the amount claimed for the six-month period of January through June in that first year, excluding nonrecurring or startup costs.

**GC §17525: Members: Term and Per Diem for Specified Members**

(a) There is hereby created the Commission on State Mandates, which shall consist of seven members as follows: (1) The Controller. (2) The Treasurer. (3) The Director of Finance. (4) The Director of the Office of Planning and Research. (5) A public member with experience in public finance, appointed by the Governor and approved by the Senate. (6) Two members from the following three categories appointed by the Governor and approved by the Senate, provided that no more than one member shall come from the same category: (A) A city council member. (B) A member of a county or city and county board of supervisors. (C) A governing board member of a school district as defined in Section 17519. (b) Each member appointed pursuant to paragraph (5) or (6) of subdivision (a) shall be subject to both of the following: (1) The member shall serve for a term of four years subject to renewal. (2) The member shall receive per diem of one hundred dollars (\$100) for each day actually spent in the discharge of official duties and shall be reimbursed for any actual and necessary expenses incurred in connection with the performance of duties as a member of the commission.

**GC §17526: Open Meetings: Executive Sessions**

(a) All meetings of the commission shall be open to the public, except that the commission may meet in executive session to consider the appointment or dismissal of officers or employees of the commission or to hear complaints or charges brought against a member, officer, or employee of the commission. (b) The commission shall meet at least once every month. (c) The time and place of meetings may be set by resolution of the commission, by written petition of a majority of the members, or by written call of the chairperson. The chairperson may, for good cause, change the starting time or place, reschedule, or cancel any meeting. (d) This section shall become operative on July 1, 1996.

**GC §17527: Powers of Commission**

In carrying out its duties and responsibilities, the commission shall have the following powers: (a) To examine any document, report, or data, including computer programs and data files, held by any local agency or school district. (b) To meet at times and places as it may deem proper. (c) As a body or, on the authorization of the commission, as a committee composed of one or more members, to hold hearings at any time and place it may deem proper. (d) Upon a majority vote of the commission, to issue subpoenas to compel the attendance of witnesses and the production of books, records, papers, accounts, reports, and documents. (e) To administer oaths. (f) To contract with other agencies or individuals, public or private, as it deems necessary, to provide or prepare services, facilities, studies, and reports to the commission as will assist it in carrying out its duties and responsibilities. (g) To adopt, promulgate, amend, and rescind rules and regulations, which shall not be subject to the review and approval of the Office of Administrative Law pursuant to the provisions of the Administrative Procedure Act provided for in Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2. (h) To do any and all other actions necessary or convenient to enable it fully and adequately to perform its duties and to exercise the powers expressly granted to it.

**GC §17528: Election of Officers**

The members of the commission shall elect a chairperson and a vice chairperson of the commission.

**GC §17529: Appointment of Attorney: Duties**

The commission may appoint as attorney to the commission an attorney at law of this state, who shall hold office at the pleasure of the commission. The attorney shall represent and appear for the commission in all actions and proceedings involving any question under this part or under any order or act of the commission. The attorney shall advise the commission and each member of the commission, when so requested, in regard to all matters in connection with the powers and duties of the commission and the members thereof. The attorney shall generally perform all duties and services as attorney to the commission which the commission may require.

**GC §17530: Appointment of Executive Director: Duties**

The commission shall appoint an executive director, who shall be exempt from civil service and shall hold office at the pleasure of the commission. The executive director shall be responsible for the executive and administrative duties of the commission and shall organize, coordinate, supervise, and direct the operations and affairs of the commission and expedite all matters within the jurisdiction of the commission. The executive director shall keep a full and true record of all proceedings of the commission, issue all necessary process, writs, warrants, and notices, and perform other duties as the commission prescribes.

**GC §17531: Authority of Executive Director to Employ Necessary Staff**

The executive director may employ those officers, examiners, experts, statisticians, accountants, inspectors, clerks, and employees as the executive director deems necessary to carry out the provisions of this part or to perform the duties and exercise the powers conferred upon the commission by law.

**GC §17532: Quorum: Investigations, Inquiries, and Hearing**

A majority of the commissioners shall constitute a quorum for the transaction of any business, for the performance of any duty, or for the exercise of any power of the commission. Any investigation, inquiry, or hearing which the commission has power to undertake or to hold may be undertaken or held by or before any commissioner or commissioners designated for the purpose by the commission. The evidence in any investigation, inquiry, or hearing may be taken by the commissioner or commissioners to whom the investigation, inquiry, or hearing has been assigned or, in his or her or their behalf, by an examiner designated for that purpose. Every finding, opinion, and order made by the commissioner or commissioners so designated, pursuant to the investigation, inquiry, or hearing, when approved or confirmed by the commission and ordered filed in its office, shall be deemed to be the finding, opinion, and order of the commission.

**GC §17533: Provisions not Applicable to Hearing by Commission**

Notwithstanding Section 11425.10, Chapter 4.5 (commencing with Section 11400) of Part 1 of Division 3 does not apply to a hearing by the commission under this part.

**GC §17550: Reimbursements of Local Agencies and Special Districts**

Reimbursement of local agencies and school districts for costs mandated by the state shall be provided pursuant to this chapter.

**GC §17551: Commission Hearing and Decision Upon Claims**

(a) The commission, pursuant to the provisions of this chapter, shall hear and decide upon a claim by a local agency or school district that the local agency or school district is entitled to be reimbursed by the

state for costs mandated by the state as required by Section 6 of Article XIIB of the California Constitution. (b) Commission review of claims may be had pursuant to subdivision (a) only if the test claim is filed within the time limits specified in this section. (c) Local agency and school district test claims shall be filed not later than three years following the date the mandate became effective, or in the case of mandates that became effective before January 1, 2002, the time limit shall be one year from the effective date of this subdivision. (d) The commission, pursuant to the provisions of this chapter, shall hear and decide upon a claim by a local agency or school district filed on or after January 1, 1985, that the Controller has incorrectly reduced payments to the local agency or school district pursuant to paragraph (2) of subdivision (d) of Section 17561.

**GC §17552: Exclusivity of Procedure by Chapter**

This chapter shall provide the sole and exclusive procedure by which a local agency or school district may claim reimbursement for costs mandated by the state as required by Section 6 of Article XIIB of the California Constitution.

**GC §17553: Adoption of Procedure for Receiving Claims and Providing Hearings: Postponement of Hearings**

(a) The commission shall adopt procedures for receiving claims pursuant to this article and for providing a hearing on those claims. The hearing procedure shall provide for presentation of evidence by the claimant, the Department of Finance and any other affected department or agency, and any other interested person. The procedures shall ensure that a statewide cost estimate is adopted within 12 months after receipt of a test claim, when a determination is made by the commission that a mandate exists. This deadline may be extended for up to six months upon the request of either the claimant or the commission. Hearing of a claim may be postponed at the request of the claimant, without prejudice, until the next scheduled hearing. (b) The procedures adopted by the commission pursuant to subdivision (a) shall include the following: (1) Provisions for acceptance of more than one claim on the same statute or executive order relating to the same statute or executive order filed with the commission, and, absent agreement by the test claimants to the contrary, to designate the first to file as the lead test claimant. (2) Provisions for consolidating test claims relating to the same statute or executive order filed with the commission with time limits that do not exceed 90 days from the initial filing for consolidating the test claims and for claimants to designate a single contact for information regarding the test claim. (3) Provisions for claimants to designate a single claimant for a test claim relating to the same statute or executive order filed with the commission, with time limits that do not exceed 90 days from the initial filing for making that designation. (c) If a completed test claim is not received by the commission within 30 calendar days from the date that an incomplete test claim was returned by the commission, the original test claim filing date may be disallowed, and a new test claim may be accepted on the same statute or executive order. (d) In addition, the commission shall determine whether an incorrect reduction claim is complete within 10 days after the date that the incorrect reduction claim is filed. If the commission determines that an incorrect reduction claim is not complete, the commission shall notify the local agency and school district that filed the claim stating the reasons that the claim is not complete. The local agency or school district shall have 30 days to complete the claim. The commission shall serve a copy of the complete incorrect reduction claim on the Controller. The Controller shall have no more than 90 days after the date the claim is delivered or mailed to file any rebuttal to an incorrect reduction claim. The failure of the Controller to file a rebuttal to an incorrect reduction claim shall not serve to delay the consideration of the claim by the commission.

**GC §17554: Commission's Authority to Expedite Claim**

With the agreement of all parties to the claim, the commission may waive the application of any procedural requirement imposed by this chapter or pursuant to Section 17553 in order to expedite action on the claim. The authority granted by this section includes the consolidation of claims and the shortening of time periods.

**GC §17555: Date for Public Hearing: Test Claim Form and Procedure**

(a) The commission, within 10 days after receipt of a test claim based upon a statute or executive order, shall set a date for a public hearing on the claim within 75 days. The test claim may be based upon estimated costs that a local agency or school district may incur as a result of the statute or executive order and may be filed at any time after the statute is enacted or the executive order is adopted. The claim shall be submitted in a form prescribed by the commission. After a hearing in which the claimant and any other interested organization or individual may participate, the commission shall determine if there are costs mandated by the state. (b) This section shall become operative on July 1, 1996.

**GC §17556: Criteria for not Finding Costs Mandated by the State**

The commission shall not find costs mandated by the state, as defined in Section 17514, in any claim submitted by a local agency or school district, if, after a hearing, the commission finds that: (a) The claim is submitted by a local agency or school district which requested legislative authority for that local agency or school district to implement the program specified in the statute, and that statute imposes costs upon that local agency or school district requesting the legislative authority. A resolution from the governing body or a letter from a delegated representative of the governing body of a local agency or school district which requests authorization for that local agency or school district to implement a given program shall constitute a request within the meaning of this paragraph. (b) The statute or executive order affirmed for the state that which had been declared existing law or regulation by action of the courts. (c) The statute or executive order implemented a federal law or regulation and resulted in costs mandated by the federal government, unless the statute or executive order mandates costs which exceed the mandate in that federal law or regulation. (d) The local agency or school district has the authority to levy service charges, fees, or assessments sufficient to pay for the mandated program or increased level of service. (e) The statute or executive order provides for offsetting savings to local agencies or school districts which result in no net costs to the local agencies or school districts, or includes additional revenue that was specifically intended to fund the costs of the state mandate in an amount sufficient to fund the cost of the state mandate. (f) The statute or executive order imposed duties which were expressly included in a ballot measure approved by the voters in a statewide election. (g) The statute created a new crime or infraction, eliminated a crime or infraction, or changed the penalty for a crime or infraction, but only for that portion of the statute relating directly to the enforcement of the crime or infraction.

**GC §17557: Determination of Amount to be Subvened for Reimbursement: Parameters and Guidelines**

(a) If the commission determines there are costs mandated by the state pursuant to Section 17555, it shall determine the amount to be subvened to local agencies and school districts for reimbursement. In so doing it shall adopt parameters and guidelines for reimbursement of any claims relating to the statute or executive order. The successful test claimants shall submit proposed parameters and guidelines within 30 days of adoption of a statement of decision on a test claim. At the request of a successful test claimant, the commission may provide for one or more extensions of this 30-day period at any time prior to its adoption of the parameters and guidelines. If proposed parameters and guidelines are not submitted within the 30-day period and the commission has not granted an extension, then the commission shall notify the test claimant that the amount of reimbursement the test claimant is entitled to for the first 12 months of incurred costs will be reduced by 20 percent, unless the test claimant can demonstrate to the commission why an extension of the 30-day period is justified. A local agency, school district, and the state may file a claim or request with the commission to amend, modify, or supplement the parameters or guidelines. The commission may, after public notice and hearing, amend, modify, or supplement the parameters and guidelines. (b) In adopting parameters and guidelines, the commission may adopt an allocation formula or uniform allowance which would provide for reimbursement of each local agency or school district of a specified amount each year. (c) The parameters and guidelines adopted by the commission shall specify the fiscal years for which local agencies and school districts shall be reimbursed for costs incurred, provided, however, that the commission shall not specify therein any fiscal year for which payment could be provided in the annual Budget Act. A test claim shall be submitted on or before June 30 following a fiscal year in order to establish eligibility for reimbursement for that fiscal year. The

claimant may thereafter amend the test claim at any time prior to a commission hearing on the claim without affecting the original filing date as long as the amendment substantially relates to the original test claim.

**GC §17558: Submission of Parameters and Guidelines to Controller: Transfer of Claims; Claiming Instructions**

(a) The commission shall submit the adopted parameters and guidelines to the Controller. All claims relating to a statute or executive order that are filed after the determination of the test claim pursuant to Section 17557 shall be transferred to the Controller who shall pay and audit the claims from funds made available for that purpose. (b) Not later than 60 days after receiving the adopted parameters and guidelines from the commission, the Controller shall issue claiming instructions for each mandate that requires state reimbursement, to assist local agencies and school districts in claiming costs to be reimbursed. In preparing claiming instructions, the Controller may request the assistance of other state agencies. The claiming instructions shall be derived from the statute or executive order creating the mandate and the parameters and guidelines adopted by the commission. (c) The Controller shall, within 60 days after receiving revised adopted parameters and guidelines from the commission or other information necessitating a revision of the claiming instructions, prepare and issue revised claiming instructions for mandates that require state reimbursement that have been established by commission action pursuant to Section 17555 or after any decision or order of the commission pursuant to Section 17551. In preparing revised claiming instructions, the Controller may request the assistance of other state agencies. (d) This section shall become operative on July 1, 1996.

**GC §17558.5: Reimbursement Claim: Audit; Remittance Advice and Other Notices of Payment**

(a) A reimbursement claim for actual costs filed by a local agency or school district pursuant to this chapter is subject to the initiation of an audit by the Controller no later than three years after the date that the actual reimbursement claim is filed or last amended, whichever is later. However, if no funds are appropriated or no payment is made to a claimant for the program for the fiscal year for which the claim is filed, the time for the Controller to initiate an audit shall commence to run from the date of initial payment of the claim. (b) The Controller shall notify the claimant in writing within 30 days after issuance of a remittance advice of any adjustment to a claim for reimbursement that results from an audit or review. The notification shall specify the claim components adjusted, the amounts adjusted, interest charges on claims adjusted to reduce the overall reimbursement to the local agency or school district, and the reason for the adjustment. Remittance advices and other notices of payment action shall not constitute notice of adjustment from an audit or review. (c) The interest rate charged by the Controller on reduced claims shall be set at the Pooled Money Investment Account rate and shall be imposed on the dollar amount of the overpaid claim from the time the claim was paid until overpayment is satisfied. (d) Nothing in this section shall be construed to limit the adjustment of payments when inaccuracies are determined to be the result of the intent to defraud, or when a delay in the completion of an audit is the result of willful acts by the claimant or inability to reach agreement on terms of final settlement.

**GC §17558.6: Legislative Intent**

It is the intent of the Legislature that the Commission on State Mandates review its process by which local agencies may appeal the reduction of reimbursement claims on the basis that the reduction is incorrect in order to provide for a more expeditious and less costly process.

**GC §17559: Judicial Review**

(a) The commission may order a reconsideration of all or part of a test claim or incorrect reduction claim on petition of any party. The power to order a reconsideration or amend a test claim decision shall expire 30 days after the statement of decision is delivered or mailed to the claimant. If additional time is needed to evaluate a petition for reconsideration filed prior to the expiration of the 30-day period, the commission may grant a stay of that expiration for no more than 30 days, solely for the purpose of considering the petition. If no action is taken on a petition within the time allowed for ordering reconsideration, the petition shall be deemed denied. (b) A claimant or the state may commence a proceeding in accordance with the

provisions of Section 1094.5 of the **Code** of Civil Procedure to set aside a decision of the commission on the ground that the commission's decision is not supported by substantial evidence. The court may order the commission to hold another hearing regarding the claim and may direct the commission on what basis the claim is to receive a rehearing.

#### **GC §17560: Deadlines for Filing Reimbursement Claims**

Reimbursement for state-mandated costs may be claimed as follows: (a) A local agency or school district may file an estimated reimbursement claim by January 15 of the fiscal year in which costs are to be incurred, and, by January 15 following that fiscal year shall file an annual reimbursement claim that details the costs actually incurred for that fiscal year; or it may comply with the provisions of subdivision (b). (b) A local agency or school district may, by January 15 following the fiscal year in which costs are incurred, file an annual reimbursement claim that details the costs actually incurred for that fiscal year. (c) In the event revised claiming instructions are issued by the Controller pursuant to subdivision (c) of Section 17558 between October 15 and January 15, a local agency or school district filing an annual reimbursement claim shall have 120 days following the issuance date of the revised claiming instructions to file a claim.

#### **GC §17561: Reimbursement of Costs for State Mandated Programs**

(a) The state shall reimburse each local agency and school district for all "costs mandated by the state," as defined in Section 17514. (b) (1) For the initial fiscal year during which these costs are incurred, reimbursement funds shall be provided as follows: (A) Any statute mandating these costs shall provide an appropriation therefor. (B) Any executive order mandating these costs shall be accompanied by a bill appropriating the funds therefor, or alternatively, an appropriation for these costs shall be included in the Budget Bill for the next succeeding fiscal year. The executive order shall cite that item of appropriation in the Budget Bill or that appropriation in any other bill which is intended to serve as the source from which the Controller may pay the claims of local agencies and school districts. (2) In subsequent fiscal years appropriations for these costs shall be included in the annual Governor's Budget and in the accompanying Budget Bill. In addition, appropriations to reimburse local agencies and school districts for continuing costs resulting from chaptered bills or executive orders for which claims have been awarded pursuant to subdivision (a) of Section 17551 shall be included in the annual Governor's Budget and in the accompanying Budget Bill subsequent to the enactment of the local government claims bill pursuant to Section 17600 that includes the amounts awarded relating to these chaptered bills or executive orders. (c) The amount appropriated to reimburse local agencies and school districts for costs mandated by the state shall be appropriated to the Controller for disbursement. (d) The Controller shall pay any eligible claim pursuant to this section within 60 days after the filing deadline for claims for reimbursement or 15 days after the date the appropriation for the claim is effective, whichever is later. The Controller shall disburse reimbursement funds to local agencies or school districts if the costs of these mandates are not payable to state agencies, or to state agencies that would otherwise collect the costs of these mandates from local agencies or school districts in the form of fees, premiums, or payments. When disbursing reimbursement funds to local agencies or school districts, the Controller shall disburse them as follows: (1) For initial reimbursement claims, the Controller shall issue claiming instructions to the relevant local agencies pursuant to Section 17558. Issuance of the claiming instructions shall constitute a notice of the right of the local agencies and school districts to file reimbursement claims, based upon parameters and guidelines adopted by the commission. (A) When claiming instructions are issued by the Controller pursuant to Section 17558 for each mandate determined pursuant to Section 17555 that requires state reimbursement, each local agency or school district to which the mandate is applicable shall submit claims for initial fiscal year costs to the Controller within 120 days of the issuance date for the claiming instructions. (B) When the commission is requested to review the claiming instructions pursuant to Section 17571, each local agency or school district to which the mandate is applicable shall submit a claim for reimbursement within 120 days after the commission reviews the claiming instructions for reimbursement issued by the Controller. (C) If the local agency or school district does not submit a claim for reimbursement within the 120-day period, or submits a claim pursuant to revised claiming instructions, it may submit its claim for reimbursement as specified in Section 17560. The Controller shall pay these claims from the funds appropriated therefor, provided that the Controller (i) may audit the records of any

local agency or school district to verify the actual amount of the mandated costs, and (ii) may reduce any claim that the Controller determines is excessive or unreasonable. (2) In subsequent fiscal years each local agency or school district shall submit its claims as specified in Section 17560. The Controller shall pay these claims from funds appropriated therefor, provided that the Controller (A) may audit the records of any local agency or school district to verify the actual amount of the mandated costs, (B) may reduce any claim that the Controller determines is excessive or unreasonable, and (C) shall adjust the payment to correct for any underpayments or overpayments which occurred in previous fiscal years. (3) When paying a timely filed claim for initial reimbursement, the Controller shall withhold 20 percent of the amount of the claim until the claim is audited to verify the actual amount of the mandated costs. All initial reimbursement claims for all fiscal years required to be filed on their initial filing date for a state-mandated local program shall be considered as one claim for the purpose of computing any late claim penalty. Any claim for initial reimbursement filed after the filing deadline shall be reduced by 10 percent of the amount that would have been allowed had the claim been timely filed. The Controller may withhold payment of any late claim for initial reimbursement until the next deadline for funded claims unless sufficient funds are available to pay the claim after all timely filed claims have been paid. In no case shall a reimbursement claim be paid if submitted more than one year after the filing deadline specified in the Controller's claiming instructions on funded mandates contained in a claims bill.

**GC §17561.5: Payment of Claim with Interest**

(a) The payment of an initial reimbursement claim by the Controller shall include accrued interest at the Pooled Money Investment Account rate, if the payment is being made more than 365 days after adoption of the statewide cost estimate for an initial claim or, in the case of payment of a subsequent claim relating to that same statute or executive order, if payment is being made more than 60 days after the filing deadline for, or the actual date of receipt of, the subsequent claim, whichever is later. In those instances, interest shall begin to accrue as of the 366th day after adoption of the statewide cost estimate for an initial claim and as of the 61st day after the filing deadline for, or actual date of receipt of, the subsequent claim, whichever is later. (b) This section shall become operative on July 1, 1996.

**GC §17561.6: Payment**

(a) A budget act item or appropriation pursuant to this part for reimbursement of claims shall include an amount necessary to reimburse any interest due pursuant to Section 17561.5. (b) This section shall become operative on July 1, 1996.

**GC §17562: Review of Costs of State-Mandated Local Programs**

(a) The Legislature hereby finds and declares that the increasing revenue constraints on state and local government and the increasing costs of financing state-mandated local programs make evaluation of state-mandated local programs imperative. Accordingly, it is the intent of the Legislature to increase information regarding state mandates and establish a method for regularly reviewing the costs and benefits of state-mandated local programs. (b) The Controller shall submit a report to the Joint Legislative Budget Committee and fiscal committees by January 1 of each year. This report shall summarize, by state mandate, the total amount of claims paid per fiscal year and the amount, if any, of mandate deficiencies or surpluses. This report shall be made available in an electronic spreadsheet format. The report shall compare the annual cost of each mandate to the statewide cost estimate adopted by the commission. (c) After the commission submits its second semiannual report to the Legislature pursuant to Section 17600, the Legislative Analyst shall submit a report to the Joint Legislative Budget Committee and legislative fiscal committees on the mandates included in the commission's reports. The report shall make recommendations as to whether the mandate should be repealed, funded, suspended, or modified. (d) In its annual analysis of the Budget Bill and based on information provided pursuant to subdivision (b), the Legislative Analyst shall identify mandates that significantly exceed the statewide cost estimate adopted by the commission. The Legislative Analyst shall make recommendations on whether the mandate should be repealed, funded, suspended, or modified. (e) (1) A statewide association of local agencies or a Member of the Legislature may submit a proposal to the Legislature recommending the elimination or modification of a state-mandated local program. To make such a proposal, the association

or member shall submit a letter to the Chairs of the Assembly Committee on Local Government and the Senate Committee on Local Government specifying the mandate and the concerns and recommendations regarding the mandate. The association or member shall include in the proposal all information relevant to the conclusions. If the chairs of the committees desire additional analysis of the submitted proposal, the chairs may refer the proposal to the Legislative Analyst for review and comment. The chairs of the committees may refer up to a total of 10 of these proposals to the Legislative Analyst for review in any year. Referrals shall be submitted to the Legislative Analyst by December 1 of each year. (2) The Legislative Analyst shall review and report to the Legislature with regard to each proposal that is referred to the office pursuant to paragraph (1). The Legislative Analyst shall recommend that the Legislature adopt, reject, or modify the proposal. The report and recommendations shall be submitted annually to the Legislature by March 1 of the year subsequent to the year in which referrals are submitted to the Legislative Analyst. (3) The Department of Finance shall review all statutes enacted each year that contain provisions making inoperative Section 2229 or Section 2230 of the Revenue and Taxation Code or Section 17561 or Section 17565 that have resulted in costs or revenue losses mandated by the state that were not identified when the statute was enacted. The review shall identify the costs or revenue losses involved in complying with the statutes. The Department of Finance shall also review all statutes enacted each year that may result in cost savings authorized by the state. The Department of Finance shall submit an annual report of the review required by this subdivision, together with the recommendations as it may deem appropriate, by December 1 of each year. (f) It is the intent of the Legislature that the Assembly Committee on Local Government and the Senate Committee on Local Government hold a joint hearing each year regarding the following: (1) The reports and recommendations submitted pursuant to subdivision (e). (2) The reports submitted pursuant to Sections 17570, 17600, and 17601. (3) Legislation to continue, eliminate, or modify any provision of law reviewed pursuant to this subdivision. The legislation may be by subject area or by year or years of enactment.

**GC §17563: Use of Funds Received for Public Purpose**

Any funds received by a local agency or school district pursuant to the provisions of this chapter may be used for any public purpose.

**GC §17564: Filing of Claims: Threshold Amount**

(a) No claim shall be made pursuant to Sections 17551 and 17561, nor shall any payment be made on claims submitted pursuant to Sections 17551 and 17561, unless these claims exceed one thousand dollars (\$1,000), provided that a county superintendent of schools or county may submit a combined claim on behalf of school districts, direct service districts, or special districts within their county if the combined claim exceeds one thousand dollars (\$1,000) even if the individual school district's, direct service district's, or special district's claims do not each exceed one thousand dollars (\$1,000). The county superintendent of schools or the county shall determine if the submission of the combined claim is economically feasible and shall be responsible for disbursing the funds to each school, direct service, or special district. These combined claims may be filed only when the county superintendent of schools or the county is the fiscal agent for the districts. All subsequent claims based upon the same mandate shall only be filed in the combined form unless a school district, direct service district, or special district provides to the county superintendent of schools or county and to the Controller, at least 180 days prior to the deadline for filing the claim, a written notice of its intent to file a separate claim. (b) Claims for direct and indirect costs filed pursuant to Section 17561 shall be filed in the manner prescribed in the parameters and guidelines.

**GC §17565: Reimbursement of Subsequently Mandated Costs**

If a local agency or a school district, at its option, has been incurring costs which are subsequently mandated by the state, the state shall reimburse the local agency or school district for those costs incurred after the operative date of the mandate.



**GC §17567: Insufficiency of Appropriation: Proration of Claims**

In the event that the amount appropriated for reimbursement purposes pursuant to Section 17561 is not sufficient to pay all of the claims approved by the Controller, the Controller shall prorate claims in proportion to the dollar amount of approved claims timely filed and on hand at the time of proration. The Controller shall adjust prorated claims if supplementary funds are appropriated for this purpose. In the event that the Controller finds it necessary to prorate claims as provided by this section, the Controller shall immediately report this action to the Department of Finance, the Chairperson of the Joint Legislative Budget Committee, and the Chairperson of the respective committee in each house of the Legislature which considers appropriations in order to assure appropriation of these funds in the Budget Act. If these funds cannot be appropriated on a timely basis in the Budget Act, the Controller shall transmit this information to the commission which shall include these amounts in its report to the Legislature pursuant to Section 17600 to assure that an appropriation sufficient to pay the claims is included in the local government claims bills or other appropriation bills. If the local government claims bills required by Section 17612 have been introduced in the Legislature, the Controller shall report directly to the chairperson of the respective committee in each house of the Legislature which considers appropriations to assure inclusion of a sufficient appropriation in the claims bills.

**GC §17568: Payment of Claims Submitted After Deadline**

If a local agency or school district submits an otherwise valid reimbursement claim to the Controller after the deadline specified in Section 17560, the Controller shall reduce the reimbursement claim in an amount equal to 10 percent of the amount which would have been allowed had the reimbursement claim been timely filed, provided that the amount of this reduction shall not exceed one thousand dollars (\$1,000). In no case shall a reimbursement claim be paid which is submitted more than one year after the deadline specified in Section 17560. Estimated claims which were filed by the deadline specified in that section shall be paid in full before payments are made on estimated claims filed after the deadline. In the event the amount appropriated to the Controller for reimbursement purposes is not sufficient to pay the estimated claims approved by the Controller, the Controller shall prorate those claims in proportion to the dollar amount of approved claims filed after the deadline and shall report to the commission or the Legislature in the same manner as described in Section 17566 in order to assure appropriation of funds sufficient to pay those claims.

**GC §17570: Annual Report to Legislature**

The Legislative Analyst shall review each unfunded statutory or regulatory mandate for which claims have been approved by the Legislature pursuant to a claims bill during the preceding fiscal year. Any recommendations by the Legislative Analyst to eliminate or modify the mandates shall be contained in the annual analysis of the Budget Bill prepared by the Legislative Analyst.

**GC §17571: Review and Modification of Claiming Instructions**

The commission, upon request of a local agency or school district, shall review the claiming instructions issued by the Controller or any other authorized state agency for reimbursement of mandated costs. If the commission determines that the claiming instructions do not conform to the parameters and guidelines, the commission shall direct the Controller to modify the claiming instructions and the Controller shall modify the claiming instructions to conform to the parameters and guidelines as directed by the commission.

**GC §17575: Review of Bills**

When a bill is introduced in the Legislature, and each time a bill is amended, on and after January 1, 1985, the Legislative Counsel shall determine whether the bill mandates a new program or higher level of service pursuant to Section 6 of Article XIII B of the California Constitution. The Legislative Counsel shall make this determination known in the digest of the bill and shall describe in the digest the basis for this determination. The determination by the Legislative Counsel shall not be binding on the commission in making its determination pursuant to Section 17555.

**GC §17576: Amendment of Bills on Floor: Notification by Legislative Counsel**

Whenever the Legislative Counsel determines that a bill will mandate a new program or higher level of service pursuant to Section 6 of Article XIII B of the California Constitution, the Department of Finance shall prepare an estimate of the amount of reimbursement which will be required. This estimate shall be prepared for the respective committees of each house of the Legislature which consider taxation measures and appropriation measures and shall be prepared prior to any hearing on the bill by any such committee.

**GC §17577: Amount of Estimates**

The estimate required by Section 17576 shall be the amount estimated to be required during the first fiscal year of a bill's operation in order to reimburse local agencies and school districts for costs mandated by the state by the bill.

**GC §17578: Amendment of Bills on Floor: Notification by Legislative Counsel**

In the event that a bill is amended on the floor of either house, whether by adoption of the report of a conference committee or otherwise, in such a manner as to mandate a new program or higher level of service pursuant to Section 6 of Article XIII B of the California Constitution, the Legislative Counsel shall immediately inform, respectively, the Speaker of the Assembly and the President of the Senate of that fact. Notification from the Legislative Counsel shall be published in the journal of the respective houses of the Legislature.

**GC §17579: Requirement for New Mandates to Specify Reimbursement Requirements: Appropriations**

(a) Any bill introduced or amended on and after January 1, 1985, for which the Legislative Counsel has determined the bill will mandate a new program or higher level of service pursuant to Section 6 of Article XIII B of the California Constitution, shall contain a section specifying that reimbursement shall be made from the fund pursuant to Section 17610 when the amount of the claim has been determined pursuant to Article 1 (commencing with Section 17550) of this chapter or that there is no mandate or that the mandate is being disclaimed and the reason therefor. (b) Any bill introduced or amended on and after January 1, 1985, may, but is not required to, contain an appropriation to provide reimbursement of costs mandated by the state.

**GC §17581: Conditions for Exemption From Implementation of Statute or Executive Order**

(a) No local agency shall be required to implement or give effect to any statute or executive order, or portion thereof, during any fiscal year and for the period immediately following that fiscal year for which the Budget Act has not been enacted for the subsequent fiscal year if all of the following apply: (1) The statute or executive order, or portion thereof, has been determined by the Legislature, the commission, or any court to mandate a new program or higher level of service requiring reimbursement of local agencies pursuant to Section 6 of Article XIII B of the California Constitution. (2) The statute or executive order, or portion thereof, has been specifically identified by the Legislature in the Budget Act for the fiscal year as being one for which reimbursement is not provided for that fiscal year. For purposes of this paragraph, a mandate shall be considered to have been specifically identified by the Legislature only if it has been included within the schedule of reimbursable mandates shown in the Budget Act and it is specifically identified in the language of a provision of the item providing the appropriation for mandate reimbursements. (b) Notwithstanding any other provision of law, if a local agency elects to implement or give effect to a statute or executive order described in subdivision (a), the local agency may assess fees to persons or entities which benefit from the statute or executive order. Any fee assessed pursuant to this subdivision shall not exceed the costs reasonably borne by the local agency. (c) This section shall not apply to any state-mandated local program for the trial courts, as specified in Section 77203. (d) This section shall not apply to any state-mandated local program for which the reimbursement funding counts toward the minimum General Fund requirements of Section 8 of Article XVI of the Constitution.

**GC §17581.5 Exemption From Provisions of School Bus Safety II Mandate and School Crimes Reporting II Mandate**

(a) A school district shall not be required to implement or give effect to the statutes, or portion thereof, identified in subdivision (b) during any fiscal year and for the period immediately following that fiscal year for which the Budget Act has not been enacted for the subsequent fiscal year if all of the following apply: (1) The statute or portion thereof, has been determined by the Legislature, the commission, or any court to mandate a new program or higher level of service requiring reimbursement of local agencies pursuant to Section 6 of Article XIII B of the California Constitution. (2) The statute, or portion thereof, has been specifically identified by the Legislature in the Budget Act for the fiscal year as being one for which reimbursement is not provided for that fiscal year. For purposes of this paragraph, a mandate shall be considered to have been specifically identified by the Legislature only if it has been included within the schedule of reimbursable mandates shown in the Budget Act and it is specifically identified in the language of a provision of the item providing the appropriation for mandate reimbursements. (b) This section applies only to the following mandates: (1) The School Bus Safety II mandate (Chapter 642 of the Statutes of 1992; Chapter 831 of the Statutes of 1994; and Chapter 739 of the Statutes of 1997). (2) The School Crimes Reporting II mandate (Chapter 759 of the Statutes of 1992 and Chapter 410 of the Statutes of 1995).

**GC §17600: Report on Number of Mandates and Their Costs**

At least twice each calendar year the commission shall report to the Legislature on the number of mandates it has found pursuant to Article 1 (commencing with Section 17550) and the estimated statewide costs of these mandates. This report shall identify the statewide costs estimated for each mandate and the reasons for recommending reimbursement.

**GC §17601: Report on Claims Denied**

The commission shall report to the Legislature on January 15, 1986, and each January 15 thereafter, on the number of claims it denied during the preceding calendar year and the basis on which the particular claims were denied.

**GC §17610: Costs Paid From Fund: Limit on Costs**

(a) The costs arising from a statute containing a statement that the statute mandates a new program or higher level of service and specifying that reimbursement shall be made from the fund shall, upon certification of the estimated statewide cost by the commission to the Controller, be paid from the fund, provided that the estimated statewide cost of the claim does not exceed one million dollars (\$1,000,000). The Controller shall receive, review, and pay reimbursement claims from the fund as the claims are received. Claims for initial reimbursement shall be filed with the Controller within 120 days from the date that the Controller issued claiming instructions on mandates funded by the fund. When paying a timely filed claim for initial reimbursement, the Controller shall withhold 20 percent of the amount of the claim until the claim is audited to verify the actual amount of the mandated cost. Any claim for initial reimbursement filed after the filing deadline shall be reduced by 10 percent of the amount which would have been allowed had the claim been timely filed, provided that the amount of this reduction shall not exceed one thousand dollars (\$1,000). The Controller may withhold payment of any initial reimbursement claim filed after the filing deadline until the next deadline for funding claims unless sufficient funds are available to pay the claim after all timely filed claims have been paid. (b) For purposes of this section, "estimated statewide cost" means the total amount of funds estimated to be necessary to reimburse all eligible local agencies and school districts for costs incurred as a result of the mandate during the first 12-month period following the operative date of the mandate. (c) For purposes of this section, "costs arising from a statute" means the total amount of funds necessary to reimburse eligible local agencies and school districts for costs incurred as a result of complying with a mandate for the fiscal years specified in the parameters and guidelines in accordance with Section 17557.

**GC §17612: Local Government Claims Bills: Judicial Review of Funding Deletions**

(a) Immediately upon receipt of the report submitted by the commission pursuant to Section 17600, a local government claims bill shall be introduced in the Legislature. The local government claims bill, at the time of its introduction, shall provide for an appropriation sufficient to pay the estimated costs of these mandates except where the costs have been or will be paid pursuant to Section 17610. (b) The Legislature may amend, modify, or supplement the parameters and guidelines for mandates contained in the local government claims bill. If the Legislature amends, modifies, or supplements the parameters and guidelines, it shall make a declaration in the local government claims bill specifying the basis for the amendment, modification, or supplement. (c) If the Legislature deletes from a local government claims bill funding for a mandate, the local agency or school district may file in the Superior Court of the County of Sacramento an action in declaratory relief to declare the mandate unenforceable and enjoin its enforcement.

**GC §17613: Authorization of Augmentation for Mandated Costs**

(a) The Director of Finance may, upon receipt of any report submitted pursuant to Section 17567, authorize the augmentation of the amount available for expenditure to reimburse costs mandated by the state, as defined in Section 17514, as follows: (1) For augmentation of (A) any schedule in any item to reimburse costs mandated by the state in any budget act, or (B) the amount appropriated in a local government claims bill for reimbursement of the claims of local agencies, as defined by Section 17518, from the unencumbered balance of any other item to reimburse costs mandated by the state in that budget act or another budget act or in an appropriation for reimbursement of the claims of local agencies in another local government claims bill. (2) For augmentation of (A) any schedule in any budget act item, or (B) any amount appropriated in a local government claims bill, when either of these augmentations is for reimbursement of mandated claims of school districts, as defined in Section 17519, when the source of this augmentation is (A) the unencumbered balance of any other scheduled amount in that budget act or another budget act, or (B) an appropriation in another local government claims bill, when either of these appropriations is for reimbursement of mandate claims of school districts. This paragraph applies only to appropriations that are made for the purpose of meeting the minimum funding guarantee for educational programs pursuant to Section 8 of Article XVI of the California Constitution. (b) No authorization for an augmentation pursuant to this section may be made sooner than 30 days after the notification in writing of the necessity therefor to the chairperson of the committee in each house which considers appropriations and the chairperson of the Joint Legislative Budget Committee, or not sooner than whatever lesser time as the chairperson of the joint committee, or his or her designee, may in each instance determine.

**GC §17614: State Mandates Claims Fund**

There is hereby created the State Mandates Claims Fund. Notwithstanding Section 13340, money in the fund is continuously appropriated without regard to fiscal years for the sole purpose of paying claims pursuant to Section 17610.

**GC §17615: Legislative Findings and Intent**

The Legislature finds and declares that the existing system for reimbursing local agencies and school districts for actual costs mandated by the state on an annual claim basis is time consuming, cumbersome, and expensive at both the local and state levels. The Controller must process voluminous claims with all claims subject to a desk audit and selected claims also subject to a field audit. Local agencies are required to maintain extensive documentation of all claims in anticipation of such an audit. The volume of these records is substantial and will continue to grow with no relief in sight as new programs are mandated. The cost to local agencies and school districts for filing claims, and for maintaining documentation and responding to the Controller's audits is substantial. The current administrative cost to both state and local governments represents a significant expenditure of public funds with no apparent benefit to the taxpayers. It is the intent of the Legislature to streamline the reimbursement process for costs mandated by the state by creating a system of state mandate apportionments to fund the costs of certain programs mandated by the state.

**GC §17615.1: Review of Programs for Inclusion in System**

Notwithstanding the provisions of Section 2231 of the Revenue and Taxation **Code**, the commission shall establish a procedure for reviewing, upon request, mandated cost programs for which appropriations have been made by the Legislature for the 1982-83, 1983-84, and 1984-85 fiscal years, or any three consecutive fiscal years thereafter. At the request of the Department of Finance, the Controller, or any local agency or school district receiving reimbursement for the mandated program, the commission shall review the mandated cost program to determine whether the program should be included in the State Mandates Apportionment System. If the commission determines that the State Mandates Apportionment System would accurately reflect the costs of the state mandated program, the commission shall direct the Controller to include the program in the State Mandates Apportionment System.

**GC §17615.2: Calculation of Disbursement Amounts**

(a) Notwithstanding Section 17561, after November 30, 1985, for those programs included in the State Mandates Apportionment System, after approval by the commission, there shall be disbursed by the Controller to each local agency and school district which has submitted a reimbursement claim for costs mandated by the state in the 1982-83, 1983-84, and the 1984-85 fiscal years, or any three consecutive fiscal years thereafter, an amount computed by averaging the approved reimbursement claims for this three-year period. The amount shall first be adjusted according to any changes in the deflator. The deflator shall be applied separately to each year's costs for the three years which comprise the base period. Funds for these purposes shall be available to the extent they are provided for in the Budget Act of 1985 and the Budget Act for any subsequent fiscal year thereafter. For purposes of this article, "base period" means the three fiscal years immediately succeeding the commission's approval. (b) When the Controller has made payment on claims prior to commission approval of the program for inclusion in the State Mandates Apportionment System, the payment shall be adjusted in the next apportionment to the amount which would have been subvended to the local agency or school district for that fiscal year had the State Mandates Apportionment System been in effect at the time of the initial payment.

**GC §17615.3: Annual Recalculation of Allocation**

Notwithstanding Section 17561, by November 30, 1986, and by November 30 of each year thereafter, for those programs included in the State Mandates Apportionment System, the Controller shall recalculate each allocation for each local agency and school district for the 1985-86 fiscal year, by using the actual change in the deflator for that year. That recalculated allocation shall then be adjusted by the estimated change in the deflator for the 1986 -87 fiscal year, and each fiscal year thereafter, to establish the allocation amount for the 1986-87 fiscal year, and each fiscal year thereafter. Additionally, for programs approved by the commission for inclusion in the State Mandates Apportionment System on or after January 1, 1988, the allocation for each year succeeding the three-year base period shall be adjusted according to any changes in both the deflator and workload. The Controller shall then subvene that amount after adjusting it by any amount of overpayment or underpayment in the 1985-86 fiscal year, and each fiscal year thereafter, due to a discrepancy between the actual change and the estimated change in the deflator or workload. Funds for these purposes shall be available to the extent they are provided for in the Budget Act of 1986 and the Budget Act for any subsequent fiscal year thereafter. For purposes of this article, "workload" means, for school districts and county offices of education, changes in the average daily attendance; for community colleges, changes in the number of full-time equivalent students; for cities and counties, changes in the population within their boundaries; and for special districts, changes in the population of the county in which the largest percentage of the district's population is located.

**GC §17615.4: Procedure for Newly Mandated Program**

(a) When a new mandate imposes costs which are funded either by legislation, in local government claims bills, or from the State Mandates Claim Fund, local agencies and school districts may file reimbursement claims as required by Section 17561, for a minimum of three years after the initial funding of the new mandate. (b) After actual cost claims are submitted for three fiscal years against such a new mandate, the commission shall determine, upon request of the Controller or a local entity or school district receiving reimbursement for the program, whether the amount of the base year entitlement adjusted by

changes in the deflator and workload accurately reflects the costs incurred by the local agency or school district. If the commission determines that the base year entitlement, as adjusted, does accurately reflect the costs of the program, the commission shall direct the Controller to include the program in the State Mandates Apportionment System. (c) The Controller shall make recommendations to the commission and the commission shall consider the Controller's recommendations for each new mandate submitted for inclusion in the State Mandates Apportionment System. All claims included in the State Mandates Apportionment System pursuant to this section are also subject to the audit provisions of Section 17616.

#### **GC §17615.5: Procedure Where No Base Year Entitlement Has Been Established**

(a) If any local agency or school district has an established base year entitlement which does not include costs for a particular mandate, that local agency or school district may submit reimbursement claims for a minimum of three consecutive years, adjusted pursuant to Section 17615.3 by changes in the deflator and workload, or entitlement claims covering a minimum of three consecutive years, after which time its base year entitlement may be adjusted by an amount necessary to fund the costs of that mandate. (b) If any local agency or school district has no base year entitlement, but wishes to begin claiming costs of one or more of the mandates included in the State Mandates Apportionment System, that local agency or school district may submit reimbursement claims for a minimum of three consecutive years, or entitlement claims covering the preceding three consecutive years, which shall be adjusted pursuant to Sections 17615.2 and 17615.3 by changes in the deflator and workload, after which time a base year entitlement may be established in an amount necessary to fund the costs of the mandate or mandates.

#### **GC §17615.6: Procedure Where Program is No Longer Mandatory**

If a local agency or school district realizes a decrease in the amount of costs incurred because a mandate is discontinued, or made permissive, the Controller shall determine the amount of the entitlement attributable to that mandate by determining the base year amount for that mandate for the local agency or school district plus the annual adjustments. This amount shall be subtracted from the annual subvention which would otherwise have been allocated to the local agency or school district.

#### **GC §17615.7: Procedure Where Program is Modified**

If a mandated program included in the State Mandates Apportionment System is modified or amended by the Legislature or by executive order, and the modification or amendment significantly affects the costs of the program, as determined by the commission, the program shall be removed from the State Mandates Apportionment System, and the payments reduced accordingly. Local entities or school districts may submit actual costs claims for a period of three years, after which the program may be considered for inclusion in the State Mandates Apportionment System, pursuant to the provisions of Section 17615.4.

#### **GC §17615.8: Review of Base Year Entitlement**

(a) The commission shall establish a procedure for reviewing, upon request, any apportionment or base year entitlement of a local agency or school district. (b) Local agencies and school districts which request such a review shall maintain and provide those records and documentation as the commission or its designee determines are necessary for the commission or its designee to make the required determinations. With the exception of records required to verify base year entitlements, the records may not be used to adjust current or prior apportionments, but may be used to adjust future apportionments. (c) If the commission determines that an apportionment or base year entitlement for funding costs mandated by the state does not accurately reflect the costs incurred by the local agency or school district for all mandates upon which that apportionment is based, the commission shall direct the Controller to adjust the apportionment accordingly. For the purposes of this section, an apportionment or a base year entitlement does not accurately reflect the costs incurred by a local agency or school district if it falls short of reimbursing, or overreimburses, that local agency's or school district's actual costs by 20 percent or by one thousand dollars (\$1,000), whichever is less. (d) If the commission determines that an apportionment or base year entitlement for funding costs mandated by the state accurately reflects the costs incurred by the local agency or school district for all mandates upon which that apportionment is based, the

commission may, in its discretion, direct the Controller to withhold, and, if so directed, the Controller shall withhold the costs of the commission's review from the next apportionment to the local agency or school district, if the commission review was requested by the local agency or school district.

**GC §17615.9: Review of Programs Under SMAS**

The commission shall periodically review programs funded under the State Mandate Apportionments System to evaluate the effectiveness or continued statewide need for each such mandate.

**GC §17616: Audits and Verification by Controller**

Notwithstanding the provisions of Section 2231 of the Revenue and Taxation Code, the Controller shall have the authority to do either or both of the following: (a) Audit the fiscal years comprising the base year entitlement no later than three years after the year in which the base year entitlement is established. The results of such audits shall be used to adjust the base year entitlements and any subsequent apportionments based on that entitlement, in addition to adjusting actual cost payments made for the base years audited. (b) Verify that any local agency or school district receiving funds pursuant to this article is providing the reimbursed activities.